



TRIDENT
TECHNICAL
COLLEGE

Comprehensive Annual Financial Report

SOUTH GATE

Charleston, South Carolina
Fiscal Year Ended June 30, 2012

Member of State Board for Technical and Comprehensive Education



TRIDENT TECHNICAL COLLEGE

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2012

**COMPILED BY
DIVISION OF FINANCE AND ADMINISTRATION**

**A MEMBER OF THE STATE BOARD
FOR
TECHNICAL AND COMPREHENSIVE EDUCATION
AN AGENCY OF THE STATE OF SOUTH CAROLINA**

**TRIDENT TECHNICAL COLLEGE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012**

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**TRIDENT TECHNICAL COLLEGE
ORGANIZATIONAL DATA
JUNE 30, 2012**

Area Commission

<u>Name</u>	<u>Office</u>	<u>Expires</u>	<u>County</u>
Yvonne J. Barnes	Member Chairperson: Building and Grounds Committee	January 2015	Berkeley
William A. Blanton	Member	January 2015	Berkeley
Jack Y. Harrison	Chairperson	June 2013	Dorchester
Baird A. Mallory	Vice-Chairperson	June 2012	Charleston
Franklin J. Medio	Member Chairperson: Curriculum Committee	January 2013	Berkeley
Robert J. Reid	Member	June 2011	Charleston
Rutherford P.C. Smith	Treasurer Chairperson: Finance and Administration Committee Audit Committee	June 2015	Dorchester
Marion C. Thompson	Member	June 2014	Dorchester
Anita G. Zucker	Member	June 2013	Charleston

Counties served by Area Commission and providing financial support: Berkeley County, Charleston County, and Dorchester County

Institutional Officers

Dr. Mary Thornley	President
Dr. Elise Davis-McFarland	Vice President, Student Services
Ms. Marguerite G. Howle	Vice President, Advancement
Mr. Scott Poelker	Vice President, Finance and Administration
Dr. Patricia J. Robertson	Vice President, Academic Affairs
Mr. E. Bernard Straub	Vice President, Information Technology
Mr. Robert Walker	Vice President, Continuing Education and Economic Development



September 30, 2012

To the Members of the Area Commission for Trident Technical College:

We are pleased to convey to you the Comprehensive Annual Financial Report of Trident Technical College (the “College”) for the year ended June 30, 2012. The Office of the Vice President for Finance and Administration is responsible for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the information presented is accurate in all material respects, and all disclosures necessary for a reasonable understanding of the College's financial activities have been included.

The management of the College is responsible for establishing and maintaining an internal control structure designed to protect the assets of the College, to prevent loss from theft or misuse and to provide that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. To the best of our knowledge, the internal control system achieves these objectives. The concept of reasonable assurance recognizes that:

- The cost of a control should not exceed the benefits likely to be derived; and,
- The valuation of costs and benefits requires estimates and judgments by management.

DeLoach & Williamson, L.L.P., independent certified public accountants, audited the financial statements. The Independent Auditors' Report is included in the financial section of this report and reflects an unqualified opinion on the basic financial statements. The College complies with the requirements of the Single Audit Act for which separate reports are issued.

This letter of transmittal should be read in conjunction with the Management's Discussion and Analysis, which focuses on current activities, accounting changes and currently known facts.

Entity

Trident Technical College is one of sixteen technical colleges that comprise the State Board for Technical and Comprehensive Education (SBTCE), which is an agency of the State of South Carolina. The College is a part of the State of South Carolina's primary government and is included in the State's Comprehensive Annual Financial Report. The College is not legally separate and therefore is not considered a component unit of the State of South Carolina.

Trident Technical College Foundation is a legally separate, tax-exempt component unit of Trident Technical College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The 56-member board of the Foundation is self-perpetuating and consists of influential business leaders in the local community. Although the College does not control the timing or the amount of receipts from the Foundation, the majority of resources or income thereon that the Foundation holds and invests is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can

only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and the Foundation's financial statements are inserted in the College's Comprehensive Annual Financial Report.

The Trident Technical College Enterprise Campus Authority (the Authority) was established in 2006 by the 1976 South Carolina Code of Laws Section 59-53-460. For accounting purposes, the Authority is a blended component unit of Trident Technical College. The legislation establishing the Authority requires that the members of the College's Area Commission also constitute the Board of the Authority. The Authority's financial activity is blended in the financial statements of the College.

The College maintains budgetary controls in the form of line-item budgets and budget transfer restrictions. The objective of these budgetary controls is to ensure compliance with the annual budget adopted by the Area Commission. The College maintains an encumbrance accounting system as one technique of accomplishing budgetary control. As demonstrated by the financial statements and schedules included in the financial section of this report, management of the College continues to meet its responsibility for sound financial management.

Economic Condition and Outlook

The College's local service area consists of three counties in South Carolina located in the southeastern part of the state. The counties of Berkeley, Charleston, and Dorchester cover more than 3,100 square miles and are strategically located along the nation's mid-Atlantic region roughly half-way between New York and Miami. The varied geography of the region supports a highly diverse economy which, for the most part, has helped shield it from the worst effects of the recent global economic downturn. The region's business community draws strength from both its rich history as well as its technologically advanced future. Major economic sectors include a multi-billion dollar-a-year tourist industry, a thriving deep-water sea port, a military and industrial global intelligence complex, medical and biotech research and advanced aero-space production and support.

These factors, plus the natural beauty and available resources in the region, have combined to provide Charleston's economy a measure of protection against the effects felt by the rest of the nation and the world from, what some economists have termed, the Great Recession. According to the Charleston Regional Development Alliance (CRDA) —a local economic research and business development group—the region's Gross Regional Product (GDP) grew 3.6% between the years 2005 and 2009. The CRDA did a study that included six other economically-similar metro regions and found that Charleston's GDP growth rate was significantly greater over this period than those of the other metros in its peer group, most of which had experienced declines. According to the U.S. Bureau of Economic Analysis (BEA) data from the year most recently available, Charleston's GDP growth rate for 2010 was 3.2%.

According to the same study from the CRDA, employment measured both before and during the Great Recession also showed strength. Employment grew rapidly at 13.2% between 2003 and 2008. This rate exceeded the national average as well as those of all but one of the study's other peer group metros. The region certainly was not invulnerable to the effects of the global downturn, however. From December 2007 to March 2011, employment contracted 4.6%. While the drop was disappointing, the rate of decline was still very much below the state and national averages. Other measures of strength can be seen in the numbers that measure per capita earnings. From 2005 to 2009, regional earnings per worker grew 13.4%, while the growth rate for earnings nationwide grew only 10.8%. As with earnings per worker, the area's per capita income (PCI) also reflected strength, reflecting a rapid 14.6% growth rate over the same period. Strength in these two indicators continues to be reflected in the preliminary figures published by the BEA for 2010, which reflected comparable annual gains of 3.5% in worker's earnings and 3.1% in PCI.

In the coming decades, the region's economy will continue to be bolstered by the global, international, and national companies it attracts. Attracting Boeing's new Dream Liner operations to the area is a good example of the region's global vision and outreach. Google's decision to build a large plant in Berkeley County is an example of the region's appeal to firms with an international scope of operations, and Southwest Airline's recent arrival points to the importance the area has nationally. Firms from several diverse sectors of the economy continue to be attracted to the area and indications are the trend will continue well into the future.

When firms of this caliber establish new operations in a region like Charleston's, they bring with them both jobs as well as expectations. In order to remain competitive in today's world market, their investment decisions depend on having a ready pool of highly skilled labor in the area to draw from. Having confidence in a region's ability to deliver upon these expectations weighs heavily on which area of the country they choose for their investment. Based on decisions made by firms like Boeing and others who have invested in the area, it is clear the global business community is confident the region will be able to deliver the type of education and training their workforces will need to remain competitive. Because of its long history of providing world-class training to business and industry, there's little doubt that Trident Technical College has figured prominently in many the decisions that have brought major investments to the region.

According to the South Carolina Commission on Higher Education (CHE), Trident Technical College has the second largest undergraduate enrollment of all institutions of higher education in the state. TTC's undergraduate enrollment is second only to that of the University of South Carolina's in terms of headcount size. In terms of in-state residency, however, TTC's undergraduate enrollment ranks first.

The College's growth plus the ongoing attraction of new business and industry to the area point to continued economic growth in the region. As such, Trident Technical College will be uniquely positioned to be the catalyst that spurs the return to economic health to both the region and the state.

Major Initiatives

In support of its goal of providing greater access, TTC launched the TTC Online College in the Fall 2011 term. Although online courses have been available at TTC for 15 years, the Online College centralizes and enhances services and communication for online students. TTC now offers seven-degree programs and 19 certificates in an online format.

The College broke ground on its new Nursing and Science Building June 25, 2012. The new building will house the College's three Nursing programs and provide classroom and lab space for science classes. Construction is expected to be completed in fall 2013, and classes will be held in the building in January 2014.

While many technical colleges in the state experienced enrollment downturns, the College experienced its largest ever fall, spring and summer enrollments during 2011-2012. For Fall 2011, Spring 2012 and Summer 2012, term enrollments were up 6.28%, 5.58% and 3.27% respectively over the previous year's enrollments. Trident Technical College remains the second largest undergraduate institution in the state.

In 2011, President Mary Thornley signed the American Association of Community College's "A Call to Action" in support of the national College Completion Challenge, which calls on higher education institutions to produce 50% more students with degrees and certificates by 2020. TTC has projected the number of awards necessary to make this goal; one year into its commitment, the college has exceeded this benchmark. During 2011-12, TTC awarded 2,251 associate degrees, diplomas and certificates to 1,841 graduates.

The College is proud that both its student body and its workforce mirror the rich diversity of the area the College serves. Trident Technical College met 99.8% of its Equal Employment Opportunity (EEO) goals in 2011, the 2nd highest percentage among all state agencies, and the highest percentage among state higher education institutions. The college enrolled 6,640 minority students, including 5,292 African American students, in the Fall 2011 term. Both of these groups were the largest populations among South Carolina's higher education institutions.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Trident Technical College for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2011. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized CAFR whose contents conform to rigorous program standards.

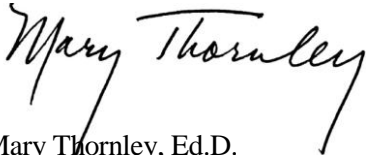
Such reports must satisfy both accounting principles generally accepted and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. Trident Technical College has received a Certificate of Achievement for the last 19 consecutive years.

Again this year, the College will submit its CAFR for the Certificate of Achievement for Excellence in Financial Reporting program of the GFOA. We firmly believe that the College's report for the fiscal year ended June 30, 2012 meets the requirements to receive the Certificate of Achievement.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff. We would like to express appreciation to all the employees who assisted in the timely closing of the College's financial records and the preparation of this report. In addition, we would like to express our appreciation to the other departments and individuals who assisted in the preparation of this report.

Sincerely,



Mary Thornley, Ed.D.
President



Scott Poelker
Vice President
Finance and Administration

Trident Technical College
Major Goals and Planning Initiatives
Fiscal Year 2011 – 2012

GOAL 1: ACCESSIBILITY: To enable all members of the community we serve to pursue or continue higher education.

Initiative 1. Flexible Student Scheduling: Maximize student access to the existing college curriculum by continuing to increase flexible course offerings and alternative delivery formats.

Initiative 2. Diversity: Recruit and retain students from underrepresented and underserved populations to ensure a diverse student body.

Initiative 3. Student Preparation: Develop and expand programs and collaborations that increase the accessibility of higher education and increase the success of under-prepared students.

Initiative 4. Capital Improvements: Support the college's curriculum and continuing education programs through the expansion and refurbishment of physical facilities and the provision of an up-to-date infrastructure.

Initiative 5. New Instructional Sites: Provide greater accessibility to residents in Charleston and Dorchester Counties.

Initiative 6. Affordability: Plan and develop programs to help TTC students secure funding for college expenses.

GOAL 2. STEWARDSHIP: To become a model of fiscal, community and environmental responsibility, promoting these concepts at every level of the institution.

Initiative 1. Alternative Funding: Aggressively pursue alternative funding sources to augment traditional funding sources.

Initiative 2. Decision Making: Improve the college's assessment and evaluation processes.

Initiative 3. Organizational Efficiency: Reduce college costs by strengthening work practices that increase employee productivity, leverage the college's technical resources, and improve customer service.

Initiative 4. Sound Environmental Practices: Reduce college costs and implement practices that model environmental responsibility

Initiative 5. State Budget Cuts: Position the college to absorb reductions in the annual State Appropriation with minimal impact to programs and services.

Trident Technical College
Major Goals and Planning Initiatives
Fiscal Year 2011 – 2012
(Continued)

GOAL 3. COMMUNITY PROMINENCE: To increase the college's prominence in the region as a provider of educational services and a promoter of economic development.

Initiative 1. Image: Enhance awareness of the college's significant contributions to education and training and to economic development in the region.

Initiative 2. Collaboration: Emphasize collaboration between the college and the local, national and international communities.

Initiative 3. Curriculum: Identify, develop and/or revise academic and continuing education programs as needed to promote the economic development of the area.

GOAL 4. ENGAGEMENT: To build a community of learners in which all students, faculty, staff and administrators are active participants in and adherents to the principles of lifelong learning.

Initiative 1. Student Development: Develop and offer programs and services to students that present opportunities for their intellectual and interpersonal skills development.

Initiative 2. Campus Environment: Build a sense of campus community and improve campus morale.

Initiative 3. Faculty/Staff Diversity: Recruit, employ and retain a faculty and staff that is representative of the ethnic diversity of the college's service area.

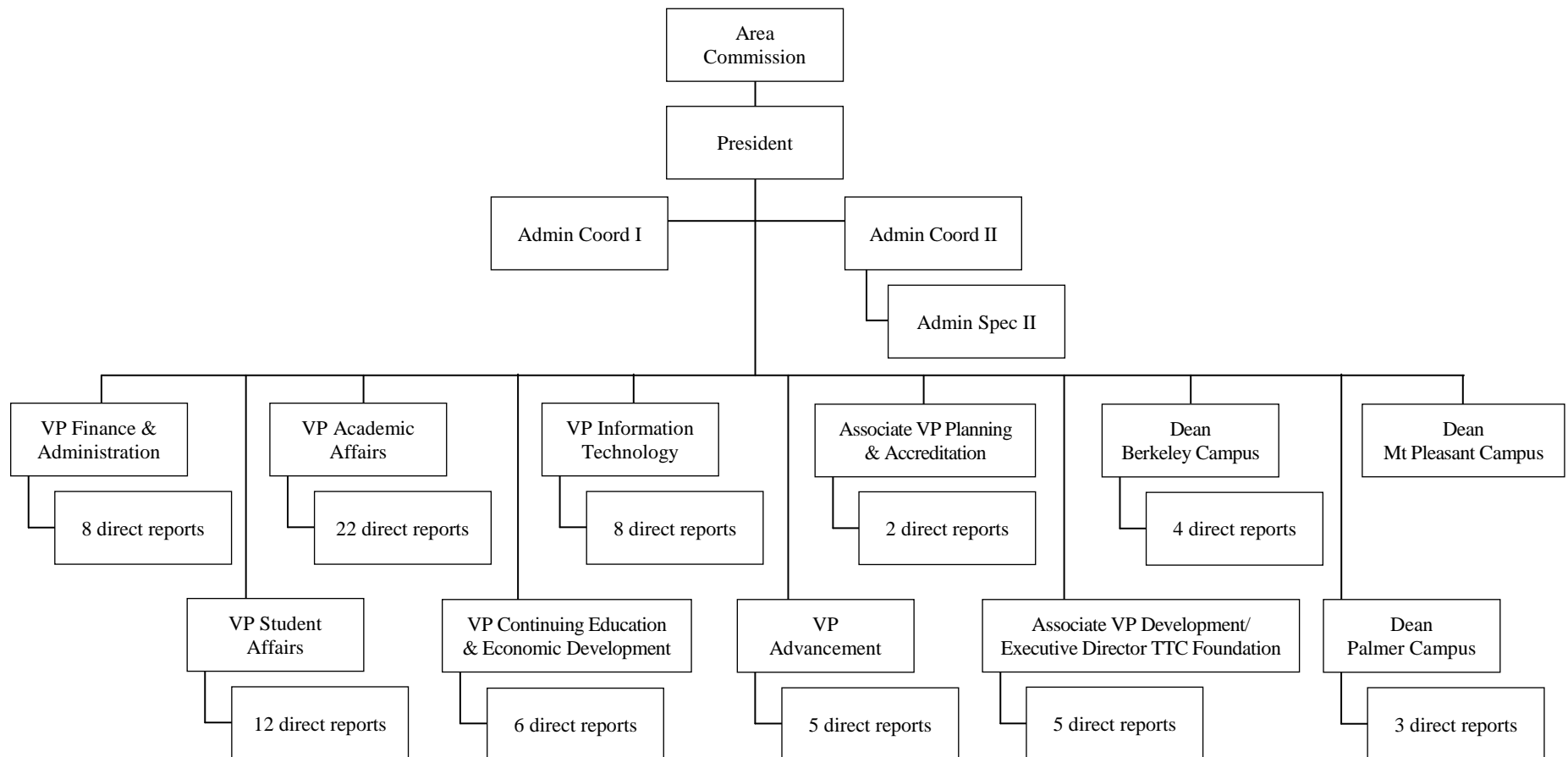
Initiative 4. Student Success and Retention: Improve student progress toward completion of academic programs.

Initiative 5. Improved Communication: Improve the methods and procedures used by the college community to disseminate information and eliminate barriers to effective institutional communication.

Initiative 6. Faculty and Staff Development: Provide a work environment that supports employees in personal development and education.



Organization Chart
September 1, 2012



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Trident Technical College
South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Sandison

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

DELOACH & WILLIAMSON, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

1401 MAIN STREET, SUITE 660
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REPORT OF INDEPENDENT AUDITORS

Members of the Area Commission of Trident Technical College
Trident Technical College
North Charleston, South Carolina

We have audited the accompanying basic financial statements of Trident Technical College, (the “College”) a member institution of the South Carolina Technical College System, as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the College’s management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the component unit, Trident Technical College Foundation (the “Foundation”), which statements reflect total assets of \$6,802,652 as of June 30, 2012 and total revenue of \$2,075,417 for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the basic financial statements referred to above present fairly, in all material respects, the financial position of Trident Technical College at June 30, 2012, and the results of its operations and the cash flows of its business type activity for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2012, on our consideration of the College’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as on pages 17 through 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Trident Technical College's financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Trident Technical College's basic financial statements. The introductory section, supplementary information to the financial statements and the statistical section as listed in the accompanying table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Rebeck A. Williamson, C.C.P.

September 13, 2012

**TRIDENT TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND
ANALYSIS
JUNE 30, 2012**

Trident Technical College (the "College") is pleased to present its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. This section of the report is a narrative overview and analysis of the financial activities of the College. This discussion should be read in conjunction with the letter of transmittal, the College's basic financial statements, the component unit's financial statements, and the notes thereto, which follow this section.

Overview of the Financial Statements

The College is engaged only in Business-Type Activities that are financed in part by fees charged to students for educational services. Accordingly, its activities are reported using the three financial statements required for proprietary funds: Statement of Net Assets; Statement of Revenues, Expenses and Changes in Net Assets; and Statement of Cash Flows. These statements present financial information in a format similar to that used by the private sector.

The College's financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. The financial statement presentation required by GASB Statements No. 34 and No. 35 provides a comprehensive, entity-wide perspective of the College's assets, liabilities, net assets, revenues, expenses, changes in net assets, and cash flows.

In accordance with GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the College has included the Trident Technical College Foundation (the Foundation) and the Trident Technical College Enterprise Campus Authority (the Authority) in its financial statements. The College reports the Foundation as a discretely presented non-governmental component unit, and its Statement of Financial Position and Statement of Activities are presented along with the College's basic financial statements. The Authority is a blended component unit whose governing board is the same as that of the College. The Authority's financial activities are blended in the financial statements of the College.

Statement of Net Assets

The Statement of Net Assets presents the financial position of the College at the end of the fiscal year and classifies assets and liabilities into current and non-current categories. The Statement of Net Assets is a "point in time" financial statement, which presents to the reader a snapshot of the end of the year financial data. Assets are property owned by the College. Liabilities are what the College owes to others. Assets and liabilities are classified as either current or noncurrent. Current assets are generally expected to be converted into cash, sold, or consumed within a year. Current liabilities are obligations that are due or to be paid within the year. Noncurrent assets and liabilities are those that are longer term in nature.

Net assets are the difference between total assets and total liabilities. Net assets are displayed in three broad categories: invested in capital assets (net of related debt), restricted and unrestricted. Net assets are one indicator of the current financial condition of the College, while the change in net assets is an indicator that the overall financial condition has improved or deteriorated during the year.

Trident Technical College
Comprehensive Annual Financial Report

The following schedule is a condensed presentation of the College's assets, liabilities, and net assets and is prepared from the Statement of Net Assets as of June 30, 2012 and 2011.

Condensed Summary of the Statement of Net Assets As of June 30, (in millions)				
	2012	2011	Increase (Decrease)	Percent Change
Current assets	\$ 65.7	\$ 59.1	\$ 6.6	11.2%
Non-current assets				
Capital assets, net of depreciation	79.7	78.3	1.4	1.8%
Total assets	145.4	137.4	8.0	5.8%
Current liabilities	18.5	17.3	1.2	6.9%
Non-current liabilities	3.9	5.6	(1.7)	-30.4%
Total liabilities	22.4	22.9	(0.5)	-2.2%
Net assets				
Invested in capital assets	77.1	73.2	3.9	5.3%
Restricted for expendable:				
Capital projects	22.9	16.2	6.7	41.4%
Unrestricted	22.9	25.0	(2.1)	-8.4%
Enterprise Campus Authority	0.1	0.1	0.0	0.0%
Total net assets	\$ 123.0	\$ 114.5	\$ 8.5	7.4%

Assets-increase of \$8.0 million

- Current assets increased from the prior year by \$6.6 million. An increase in cash of \$14.7 million is primarily responsible. The cash increase was attributable to student fee collections from the Board-approved 2.0% increase in tuition and fees for all students, regardless of residency. Other factors contributing to the increase in current assets were accounts receivable reductions of (\$5.3) million and the net decrease of (\$2.8) million in other assets including investments, prepaid accounts, and inventory.
- Non-current assets increased by \$1.4 million. Non-depreciable assets consist of land and construction in progress. Capital projects in construction in progress increased by \$3.8 million. Construction in progress included: the building 950 student lounge, multi-campus parking expansions, building 940 renovation, the Mount Pleasant campus improvements, Nursing and Science building construction, heating and cooling systems replacements in buildings 200 and 300, and additional renovations to Boeing classrooms. Depreciable capital assets increased by \$2.5 million, which was offset by (\$4.9) million in depreciation expense.

Trident Technical College
Comprehensive Annual Financial Report

The following schedule is an analysis of capital assets as of June 30, 2012 and 2011. Additional information is disclosed in *Note 5*, in the Notes to the Financial Statements.

Analysis of Capital Assets As of June 30, (in millions)				
	2012	2011	Increase (Decrease)	Percent Change
Land and Improvements	\$ 7.1	\$ 7.1	\$ -	0.0%
Construction in Progress	5.4	1.6	3.8	237.5%
Buildings and improvements	113.2	113.6	(0.4)	-0.4%
Machinery, equipment, vehicles, and other	23.3	21.1	2.2	10.4%
Total capital assets	149.0	143.4	5.6	3.9%
Less accumulated depreciation	(69.3)	(65.1)	(4.2)	6.5%
Capital assets	<u>\$ 79.7</u>	<u>\$ 78.3</u>	<u>\$ 1.4</u>	<u>1.8%</u>

Liabilities-decrease of (\$0.5) million

- Current liabilities increased \$1.2 million. This increase was mainly attributable to obligations for goods and services received but unpaid by fiscal year-end and unearned revenue, principally from fall 2012 early registration, for a combined total of \$1.6 million. This increased liability was offset by reductions of (\$0.4) million in other liabilities, including deposits for student travel abroad, nursing program reservations, and deposits held on behalf of foreign students.
- The reduction in noncurrent liabilities by (\$1.7) million is reflected in (\$2.1) million in long-term debt payments made during the current year. The College did not acquire any new debt during fiscal year 2012. However, the accrued compensated absences liability increased \$0.4 million due to the growth in the number of College employees at the end of June 30, 2012 as well as the 0.6% increase in employer retirement contributions.

Net Assets-increase of \$8.5 million

- Capital assets, net of related debt increased by \$3.9 million. This resulted from an increase in net capital assets of \$1.4 million, as discussed above, and the decrease of the related notes payable of \$2.5 million.
- Capital Projects -Restricted for expendable-increased by \$6.7 million. Local government appropriations for the Nursing

and Science building project, Foundation funds, and the excess of debt service funds contributed \$4.8 million. Additionally, the Board approved a non-mandatory \$7.0 million dollar transfer from unrestricted funds to Capital Projects. Project expenditures totaled (\$5.1) million.

- Unrestricted net assets decreased by (\$2.1) million. Educational and general revenues exceeded expenses by \$4.9 million. The board-authorized transfer out from unrestricted of (\$7.0) million to capital projects resulted in the overall decrease.
- The Enterprise Campus Authority did not have any financial activity for fiscal year 2012.

Statement of Revenues, Expenses and Changes in Net Assets

The purpose of the Statement of Revenues, Expenses, and Changes in Net Assets is to provide an entity-wide perspective on the revenues and expenses, which are categorized by operating and nonoperating and are reported by natural classification. A public institution's reliance on state and local appropriations results in operating losses as GASB requires classification of appropriations as nonoperating revenues. The schedule on the following page is a summary presentation of the College's results of operations prepared from the Statement of Revenues, Expenses, and Changes in Net Assets as of June 30, 2012 and 2011.

**Condensed Summary of the Statement of Revenues,
Expenses, and Changes in Net Assets
As of June 30,
(in millions)**

	2012	2011	Increase (Decrease)	Percent Change
Operating revenue				
Tuition and fees	\$ 45.8	\$ 40.0	\$ 5.8	14.5%
Grants and contracts	12.5	11.0	1.5	13.6%
Auxiliary	8.1	7.5	0.6	8.0%
Other	0.1	0.3	(0.2)	-66.7%
Total operating revenues	66.5	58.8	7.7	13.1%
Less operating expenses	(130.0)	(118.3)	(11.7)	9.9%
Operating (loss)	(63.5)	(59.5)	(4.0)	6.7%
Nonoperating revenue				
State appropriations	14.0	13.4	0.6	4.5%
County operations	10.3	10.1	0.2	2.0%
Other	46.1	45.1	1.0	2.2%
Total nonoperating revenue	70.4	68.6	1.8	2.6%
Capital gifts and contracts	0.2	0.2	-	0.0%
County capital appropriations	1.4	0.3	1.1	366.7%
Increase in net assets	8.5	9.6	(1.1)	-11.5%
Net assets, beginning of year	114.5	104.9	9.6	9.2%
Net assets, end of year	\$ 123.0	\$ 114.5	\$ 8.5	7.4%
Total revenues	\$ 138.5	\$ 128.1	\$ 10.4	8.1%
Total expenses	130.0	118.5	11.5	9.7%
Increase in net assets	\$ 8.5	\$ 9.6	\$ (1.1)	-11.5%

Total Revenues-increase of \$10.4 million

- Operating revenue increased \$7.7 million this fiscal year and was attributable to the growth in student enrollment and a board-authorized tuition increase.
- Nonoperating revenue and county capital appropriations increased \$2.9 million. State appropriations increased \$.6 million, county appropriations increased \$.2 million, and other nonoperating revenue increased \$1.0 million. An increase in county capital appropriations of \$1.1 million funded construction for the Nursing and Science building on main campus. The project is expected to be completed in fall 2013 with classes scheduled in the new building in spring semester 2014.

Total Expenses-increase of \$11.7 million

Operating expenses increased by \$11.7 million. Salaries and benefits increased by \$5.0 million, which included \$1.5 million in employee bonuses to permanent faculty and staff. Additionally, the College increased staffing overall by thirty-two full-time employees and fifty-three part-time adjuncts and temporaries. Enrollment growth prompted additional outlays of \$4.5 million in scholarships and financial aid as well as an additional \$1.1 million in purchases for auxiliary resale. Additional increases in other operational expenses totaled \$1.1 million.

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Statement of Cash Flows

The Statement of Cash Flows presents detailed information about the cash activity of the College during the year and aids readers in identifying the sources and uses of cash by the four major categories of operating, noncapital financing, capital and related financing, and investing activities. This statement will show a

net use of cash in the operating activities because of the College's dependence on state and local appropriations. The following schedule is a summary presentation of the College's cash flows, which is prepared from the Statements of Cash Flows as of June 30, 2012 and 2011.

Condensed Summary of the Statement of Cash Flows			
As of June 30,			
(in millions)			
	<u>2012</u>	<u>2011</u>	<u>Increase (Decrease)</u>
Net cash used by operating activities	\$ (51.5)	\$ (64.7)	\$ 13.2
Net cash provided by noncapital financing activities	70.3	68.5	1.8
Net cash used by capital and related financing activities	(7.2)	(5.2)	(2.0)
Net cash provided by investing activities	<u>3.1</u>	<u>5.1</u>	<u>(2.0)</u>
Net increase in cash	14.7	3.7	11.0
Cash-beginning of year	30.2	26.5	3.7
Cash-end of year	<u>\$ 44.9</u>	<u>\$ 30.2</u>	<u>\$ 14.7</u>

Cash increased by \$14.7 million from the prior year. Net cash used in operating activities increased cash by \$13.2 million due to enrollment growth and increased tuition rates. Net cash provided by noncapital financing activities increased \$1.8 million primarily in restricted grants and contracts. Noncapital financing activity also included a slight increase in state funding. Capital and the related financing activities reduced cash by (\$2.0) million for purchases of capital assets and debt service payments. Net cash provided by investing activities resulted in a decrease of (\$2.0) million as investments were reinvested in money market funds.

Debt Administration

The College had notes payable of \$2.6 million at June 30, 2012. All credit students were assessed capital fees of \$12.75 per enrolled hour for part-time and a maximum of \$153.00 capital fees per semester full-time students. This capital fee financed debt service requirements. Additional information on long-term debt activity is disclosed in the Notes to

the Financial Statements, *Note 9* through *Note 11*.

Economic Factors

The economic condition of state and local government is a key factor in the economic condition of the College. In fiscal year 2011-12, local government support remained strong. Local government support provided funding for ongoing maintenance and plant operations. The College held groundbreaking ceremonies for the Nursing and Science building in May 2012. Supported by local government funding, the construction phase of the project commenced shortly thereafter.

State scholarship programs funded with educational lottery proceeds remained stable at \$8.2 million. Other state programs that remained stable included Life Scholarships at \$1.5 million and the Needs Based Grant at \$1.4 million.

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State appropriations for current operations increased slightly by \$.6 million for fiscal year 2012 after three years of reductions. The College's financial ability to implement new programs, fund new facilities, and provide improved supplies is impacted by the level of state assistance. As during past recessions, student enrollment has increased at a faster pace than in good economic times, requiring greater expenditures for services rendered. A modest tuition and fee increase in fiscal year 2012 helped offset the rising costs. The State

has not fully recovered from the recession, and further reductions in state funding may occur.

Requests for Information

Additional information or questions concerning any of the information provided should be requested from the College's Finance Director at Trident Technical College, P.O. Box 118067, Charleston, South Carolina 29423-8067, or by email at doris.brumgardt@tridenttech.edu.

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Statement of Net Assets
June 30, 2012
(with comparative amounts for June 30, 2011)

	June 30,	
	2012	2011
ASSETS		
Current Assets:		
Cash and cash equivalents (<i>Note 2</i>)	\$ 44,866,752	\$ 30,179,801
Accounts receivable (net of allowance of \$2,674,000 and \$2,141,000 for 2012 and 2011, respectively) (<i>Note 3</i>)	19,134,023	24,457,186
Investments (<i>Note 2</i>)	-	3,012,970
Inventory	978,443	1,050,271
Other assets	771,268	420,441
Total current assets	65,750,486	59,120,669
Noncurrent Assets:		
Nondepreciable capital assets (<i>Note 5</i>)	12,556,059	8,732,678
Capital assets, net of accumulated depreciation (<i>Note 5</i>)	67,176,502	69,604,891
Total noncurrent assets	79,732,561	78,337,569
Total assets	145,483,047	137,458,238
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued liabilities (<i>Note 4</i>)	4,264,450	3,710,463
Long-term liabilities-current portion (<i>Note 9</i>)	2,295,311	2,748,037
Unearned revenue	11,757,584	10,648,157
Deposits held for others	169,782	192,344
Other liabilities	23,379	32,362
Total current liabilities	18,510,506	17,331,363
Noncurrent Liabilities:		
Notes payable (<i>Note 11</i>)	540,207	2,600,749
Compensated absences payable	3,369,131	3,018,685
Total noncurrent liabilities	3,909,338	5,619,434
Contingencies (<i>Note 8</i>)		
Total liabilities	22,419,844	22,950,797
NET ASSETS		
Invested in capital assets, net of related debt	77,131,977	73,219,938
Restricted for expendable:		
Capital projects	22,928,529	16,294,524
Unrestricted:		
College	22,983,049	24,973,331
Enterprise Campus Authority	19,648	19,648
Total net assets	\$ 123,063,203	\$ 114,507,441

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Statement of Revenues, Expenses, and Changes in Net Assets
For the year ended June 30, 2012
(with comparative amounts for the year ended June 30, 2011)

	For the year ended June 30,	
	2012	2011
OPERATING		
Operating Revenues:		
Student tuition and fees (net of scholarship allowances of \$18,615,270 and \$18,643,335 for 2012 and 2011, respectively)	\$ 45,841,113	\$ 40,075,362
Federal grants and contracts	439,420	396,509
State grants and contracts	11,432,719	10,185,830
Nongovernmental grants and contracts	429,854	428,073
Sales and services of educational departments	125,856	108,055
Auxiliary enterprises (net of scholarship allowances of \$3,852,394 and \$3,465,458 for 2012 and 2011, respectively)	8,085,057	7,475,000
Other operating revenues	112,142	119,354
Total operating revenues	66,466,161	58,788,183
Operating Expenses:		
Salaries	50,708,866	46,966,157
Benefits	13,427,695	12,082,857
Utilities	2,736,567	2,615,376
Scholarships and fee remissions	29,983,315	25,473,271
Contracted services	10,465,519	9,437,287
Supplies and materials	4,514,127	4,279,259
Services-fixed charges	901,102	749,749
Travel	430,865	448,147
Equipment and permanent improvements	2,275,457	3,217,379
Purchases for resale	9,585,015	8,451,632
Depreciation	4,967,538	4,640,001
Total operating expenses	129,996,066	118,361,115
Operating loss	(63,529,905)	(59,572,932)
NONOPERATING REVENUES (EXPENSES)		
State appropriations	14,000,038	13,438,112
County appropriations	10,268,017	10,155,622
Investment income	110,261	180,959
Interest expense on capital asset-related debt	(134,140)	(238,758)
Federal grants and contracts	44,503,801	44,351,767
State grants and contracts	890,158	449,529
Other nonoperating revenues	779,237	272,681
Gain on disposal of property	-	11,760
Loss on disposal of equipment	(6,027)	-
Net nonoperating revenues	70,411,345	68,621,672
Income before other revenues, expenses, gains or losses	6,881,440	9,048,740
Capital gifts and contracts	262,339	250,000
County capital appropriations	1,411,983	294,172
Increase in net assets	8,555,762	9,592,912
Net assets-beginning of year	114,507,441	104,914,529
Net assets-end of year	\$ 123,063,203	\$ 114,507,441

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Statement of Cash Flows
For the year ended June 30, 2012
(with comparative amounts for the year ended June 30, 2011)

	For the year ended June 30,	
	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees (net of scholarship allowances of \$18,615,270 and \$18,643,335 for 2012 and 2011, respectively)	\$ 45,523,604	\$ 40,187,751
Grants and contracts	20,057,376	484,654
Sales and services of educational departments	125,856	108,055
Auxiliary enterprise charges (net of scholarship allowances of \$3,852,394 and \$3,485,458 for 2012 and 2011, respectively)	8,085,057	7,475,000
Other receipts (payments)	(586,509)	9,028
Payments to vendors	(74,336,324)	(66,240,053)
Payments to employees	(50,347,861)	(46,816,904)
Federally subsidized loans for students	57,386,225	46,251,697
Loans issued to students	(57,373,020)	(46,236,061)
Net cash used by operating activities	(51,465,596)	(64,776,833)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	13,986,185	13,473,731
County appropriations	10,268,017	10,155,622
Grants and contracts	45,315,656	44,674,932
Payments from rentals and other	739,606	223,935
Net cash flows provided by noncapital financing activities	70,309,464	68,528,220
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(6,298,301)	(2,675,898)
Proceeds from issuance of capital debt	-	50,684
Principal paid on capital debt	(2,517,050)	(2,923,900)
Interest paid on capital debt	(141,464)	(247,661)
Capital grants and gifts	262,339	250,000
County capital allocations	1,411,983	294,172
Net cash used by capital and related financing activities	(7,282,493)	(5,252,603)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	3,012,970	17,913,771
Interest on investments	112,606	204,604
Purchase of investments	-	(12,949,667)
Net cash flows provided by investing activities	3,125,576	5,168,708
Net increase in cash	14,686,951	3,667,492
Cash-beginning of year	30,179,801	26,512,309
Cash-end of year	\$ 44,866,752	\$ 30,179,801

-CONTINUED-

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Statement of Cash Flows
For the year ended June 30, 2012
(with comparative amounts for the year ended June 30, 2011)

-CONTINUED-

	For the year ended June 30,	
	2012	2011
Reconciliation of operating loss to net cash used by operating activities		
Operating loss	\$ (63,529,905)	\$ (59,572,932)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation expense	4,967,538	4,640,001
Changes in assets and liabilities:		
Receivables, net	5,452,606	(12,401,642)
Inventories	71,828	234,342
Deferred charges and prepaid expenses	(350,831)	231,079
Accounts payable	485,854	325,699
Compensated absences	350,446	116,988
Unearned revenue	1,109,430	1,626,820
Other assets and liabilities	(22,562)	22,812
Net cash used by operating activities	<u>\$ (51,465,596)</u>	<u>\$ (64,776,833)</u>

Noncash capital activities from the disposal of other capital assets at their book value with no sales proceeds resulted in a loss on disposal of \$6,027.

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Non-Governmental Component Unit Statement of Financial Position
June 30, 2012
(with comparative amounts for June 30, 2011)

	June 30,	
	2012	2011
ASSETS		
Cash and cash equivalents	\$ 346,652	\$ 203,546
Unconditional promises to give, net	2,010,651	768,133
Prepaid expenses	16,882	5,538
Other receivables	-	2,511
Investments (at fair value)	4,418,105	4,865,158
Cash surrender value life insurance	10,362	10,261
Total Assets	<u>\$ 6,802,652</u>	<u>\$ 5,855,147</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 93,784	\$ 113,207
Deferred revenue	160,989	41,167
Annuity payable	16,221	17,173
Total liabilities	<u>270,994</u>	<u>171,547</u>
Net Assets		
Unrestricted	2,108,281	2,296,486
Temporarily restricted	3,167,258	2,305,501
Permanently restricted	1,256,119	1,081,613
Total net assets	<u>6,531,658</u>	<u>5,683,600</u>
Total Liabilities and Net Assets	<u>\$ 6,802,652</u>	<u>\$ 5,855,147</u>

SEE NOTES TO FINANCIAL STATEMENTS.

Trident Technical College
Comprehensive Annual Financial Report

Non-Governmental Component Unit Statement of Activities
For the year ended June 30, 2012
(with comparative amounts for the year ended June 30, 2011)

	For the year ended June 30,				
	2012				2011
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Summarized Total
Support and revenue					
Contributions	\$ 91,898	\$ 1,617,792	\$ 165,750	\$ 1,875,440	\$ 1,221,022
Grants	-	39,462	-	39,462	75,274
Interest and dividends	19,500	77,688	32,858	130,046	106,125
Net realized and unrealized gain (loss) on investments	(45,562)	(129,233)	(52,292)	(227,087)	741,482
Wine event revenue, net of \$ 103,790 and \$110,985 for direct benefits to donors in 2012 and 2011, respectively	261,996	-	-	261,996	268,165
Change in value of split interest agreement	-	(4,440)	-	(4,440)	(1,505)
Subtotal	327,832	1,601,269	146,316	2,075,417	2,410,563
Net assets released from restrictions					
Transfers of funds	8,075	(36,265)	28,190	-	-
Program restrictions satisfied	703,247	(703,247)	-	-	-
Total support and revenue	1,039,154	861,757	174,506	2,075,417	2,410,563
Expenses					
Program services					
Support of Trident Technical College	992,136	-	-	992,136	1,032,913
Supporting services					
Management and general	67,390	-	-	67,390	86,597
Fund-raising expenses	167,833	-	-	167,833	51,278
Total expenses	1,227,359	-	-	1,227,359	1,170,788
Change in net assets	(188,205)	861,757	174,506	848,058	1,239,775
Net assets, beginning of year	2,296,486	2,305,501	1,081,613	5,683,600	4,443,825
Net assets, end of year	\$ 2,108,281	\$ 3,167,258	\$ 1,256,119	\$ 6,531,658	\$ 5,683,600

SEE NOTES TO FINANCIAL STATEMENTS.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Trident Technical College (the College), a member institution of the South Carolina Technical College System, provides a range of educational programs to meet the needs of the adult population of Charleston, Berkeley, and Dorchester counties. Included in this range of programs are technical and occupational associate degree, diploma and certificate curricula that are consistent with the needs of employers in the College's service area. As an integral part of this mission, the College provides a program of continuing education designed to satisfy the occupational demands of employers through retraining and upgrading the skills of individual employees. The College also provides a variety of developmental education programs, support services and offerings to assist students in meeting their personal and professional educational objectives.

Reporting Entity

The financial reporting entity, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete.

As a member institution of the South Carolina Technical College System, the College is part of the primary government of the State of South Carolina (the State) and is reported in the State's Comprehensive Annual Financial Report (CAFR). The College has determined that the Trident Technical College Enterprise Campus Authority (the Authority) and the Trident Technical College Foundation (the Foundation) are component units. Therefore, the accompanying financial statements present

the College, as the primary government with its component units. The Foundation, due to the nature and significance of its relationship with the State, is not a component unit of the State.

The Authority was created on June 12, 2006, for the purpose of managing and operating the Enterprise Campus. For accounting purposes, the Authority is considered a component unit of Trident Technical College as defined by provisions of GASB Statement No. 14. The Authority's component unit relationship principally arises from the Authority's financial accountability to the College. In particular, the legislation establishing the Authority requires that the members of the College's Area Commission also constitute the Board of the Authority. As required by GASB Statement No. 14, the Authority's financial activity is blended in the financial statements of the College.

The Foundation is a legally separate eleemosynary organization with a self-perpetuating Board of Trustees. It was established to further the educational aims of the College. Principally all of the resources held by the Foundation are for the benefit of the College and its students. Therefore, the Foundation qualifies as a discretely presented component unit. The Foundation's statements are presented on separate pages from the College due to differences in the reporting models as discussed below.

Complete financial statements for the Foundation may be obtained from its administrative offices by request to Post Office Box 61227, Charleston, South Carolina 29419-1227.

Financial Statements

The financial statements of the College and its blended component unit, are presented in accordance with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*; GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and*

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Universities; GASB Statement No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis - for State and Local Governments: Omnibus*; and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. The financial statement presentation required by these statements provides a comprehensive, entity-wide perspective of the College’s net assets, revenues, expenses and changes in net assets and cash flows. Beginning with the 2006 Comprehensive Annual Financial Report, the College implemented GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section*, and updated the information presented in the statistical section.

The College has applied the requirements applicable to cost-sharing employers for GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other Than Pensions*, which require disclosures related to other postemployment benefits and are presented in *Note 7*.

The financial statements of the Trident Technical College Foundation are presented in accordance with accounting principles generally accepted or promulgated by the Financial Accounting Standards Board (FASB). The Foundation’s revenue and expenses are recognized as increases and decreases in one of three net asset classifications - unrestricted, temporarily restricted, and permanently restricted. Permanently restricted net assets consists of contributions and other inflows of assets whose use is limited in perpetuity by donor imposed stipulations. Temporarily restricted net assets consists of contributions and other transactions whose use is limited by time or purpose by donor imposed stipulations. Unrestricted net assets are transactions which are neither temporarily nor permanently restricted.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College’s financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. Student tuition and auxiliary enterprise fees are presented net of scholarships and fellowships applied to student accounts, while stipends and other payments made directly are presented as scholarship expenses. All significant intra-institutional transactions have been eliminated.

The College has elected not to apply FASB pronouncements issued after November 30, 1989.

The Foundation’s statements are presented on the accrual basis of accounting in accordance with the Accounting Standards Codification. Therefore, certain revenue recognition criteria and presentation features are different from GASB criteria and presentation features. No modifications for these differences have been made to the Foundation’s financial statements included in the College’s financial reporting entity.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the State of South Carolina State Treasurer’s Office are considered cash equivalents.

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

State Law requires that a bank receiving State funds must secure the deposits by deposit insurance, surety bonds, collateral securities or letters of credit to protect the State against any loss.

The Area Commission, the governing board of the College, has established policies regarding the custodial credit risk of the deposits with financial institutions that require the collateralization of all deposits with obligations of the United States or its agencies. The policies require that all deposits be denominated in United States dollars.

Investments

Deposits and investments for the College are governed by the South Carolina Code of Laws, Section 11-9-660, "Investment of Funds." Section 11-9-660 authorizes the College to invest in obligations of the United States and its agencies, obligations of the State of South Carolina and its political subdivisions, collateralized or federally insured certificates of deposits, and collateralized repurchase agreements. GASB Statement No. 40, *Deposits and Investment Risk Disclosures – an amendment to GASB Statement No. 3*, requires disclosures related to deposit risks, such as custodial credit risk, and investment risks, such as credit risk (including custodial credit risk and concentrations of credit risk). The College accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gain (loss) on the fair value of investments are reported as a component of investment income in the statement of revenues, expenses and changes in net assets.

The Area Commission has established investment policies allowing the investment in overnight repurchase agreements, discount notes or certificates of deposits. The certificates of deposit are required to be secured by obligations of the United States or

its agencies. Furthermore, the investments must be in accordance with the Code of Laws of South Carolina. The policy states that the most competitive yield available should be selected for investment purchases. The investment policy does not specifically address diversification of investments, credit risk, liquidity risk or interest rate risk.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students, and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also includes amounts due from the Federal government, state and local governments or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Included in accounts receivable are amounts committed through appropriations by the State and property taxes collected for College operations through Berkeley, Charleston and Dorchester counties. Accounts receivable are recorded net of estimated uncollectible amounts.

Allowances for losses for student accounts receivable are established based upon actual losses experienced in prior years and evaluations of the current account portfolio.

Inventories

Inventories for internal use are valued at cost. Inventories for resale are carried at the lower of cost or market on the first-in, first-out (FIFO) basis.

Capital Assets

Capital assets are recorded at cost at the date of acquisition or fair market value at the date of donation in the case of gifts. The College follows capitalization guidelines established by the State of South Carolina. All land is capitalized, regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions, renovations and other improvements of \$100,000 or more that add to the usable space, prepare existing buildings for new uses, or extend the useful life of an existing building are capitalized. The

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

College capitalizes movable personal property with a unit value in excess of \$5,000 and a useful life in excess of two years and depreciable land improvements, buildings and improvements, and intangible assets costing in excess of \$100,000. Routine repairs and maintenance and library materials, except individual items costing in excess of \$5,000, are charged to operating expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings and improvements and land improvements and 2 to 25 years for machinery, equipment and vehicles. A full year of depreciation is taken the year the asset is placed in service and no depreciation is taken in the year of disposition.

Capitalized Interest

The College capitalizes as a component of construction in progress interest cost in excess of earnings on debt associated with the capital projects. Therefore, capital asset values include such interest costs when appropriate. There was no capitalized interest for fiscal year 2012.

Unearned Revenue and Deposits

Unearned revenue includes amounts received for tuition, fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenue also includes amounts received from grants and contracts that have not yet been earned.

Deposits represent student fee refunds and other miscellaneous deposits. Student deposits are recognized as revenue during the semester for which the fee is applicable and earned when the deposit is nonrefundable to the student under the forfeit terms of the agreement.

Compensated Absences

Employee vacation pay expense is accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as a component of current and long-term liabilities in the statement of net assets and as a component of salaries and benefit expenses in the statement of revenues, expenses, and changes in net assets.

Net Assets

The College's net assets are classified as follows:

Invested in capital assets, net of related debt: This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

Restricted net assets - expendable: Restricted expendable net assets include resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Restricted net assets - nonexpendable: Nonexpendable restricted net assets consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Unrestricted net assets: Unrestricted net assets represent resources derived from student tuition and fees, appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College, and may be used

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

The College's policy for applying expenses for which either restricted or unrestricted resources may be used is to first apply the expense to restricted resources and then to unrestricted resources.

Income Taxes

The College is exempt from income taxes under the Internal Revenue Code.

The Foundation has received a determination from the Internal Revenue Service that it is exempt from federal income taxes under 501(c)(3) of the Internal Revenue Code.

Classification of Revenues and Expenses

The College has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating revenues: Operating revenues generally result from exchange transactions to provide goods or services related to the College's principle ongoing operations. These revenues include (1) student tuition and fees received in exchange for providing educational services, and other related services to students; (2) supplements for tuition assistance for which compliance and monitoring extends beyond the disbursement of funds; (3) fees received from organizations and individuals in exchange for miscellaneous goods and services provided by the College; and (4) grants and contracts that are essentially the same as contracts for services that finance programs the College would not otherwise undertake.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of non-exchange

transactions. These revenues include gifts and contributions, appropriations, investment income, and any grants and contracts that are not classified as operating revenue or restricted by the grantor to be used exclusively for capital purposes.

Operating expenses: Operating expenses are those expenditures required to meet the mission and objectives of the college's existence.

Nonoperating expenses: Nonoperating expenses are those expenditures incidental to the required needs of operations and arising from financing and investing activities.

Sales and Services of Educational and Other Activities

Revenues from sales and services of educational and other activities generally consists of amounts received from instructional and laboratory activities that incidentally create goods and services, which may be sold to students, faculty, staff and the general public. The College receives such revenues primarily from incidental dental services and culinary arts.

Auxiliary Enterprises and Internal Service Activities

Auxiliary enterprise revenues primarily represent revenues generated by bookstore, cafeteria and facilities rental services. Revenues of internal service and auxiliary enterprise activities and the related expenditures of college departments have been eliminated.

County Appropriations Revenue

The College obtains support from Berkeley, Charleston and Dorchester counties in the form of billed millage of property taxes. Real property and business personal property taxes, excluding automobile property taxes, become enforceable liens as of January 1. Real property taxes are levied in November and are payable without penalty during January. Automobile property taxes are levied through the year depending on vehicle tag expiration

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

dates. Business property taxes are levied in September and are payable during January. Property taxes are assessed and collected by the counties and remitted monthly or quarterly to the College. Property taxes billed by the respective counties but remaining uncollected as of June 30, 2012, is unknown and therefore, unrecorded by the College. County appropriations receivable in *Note 3* represent amounts collected by the counties as of June 30, 2012, but not yet remitted to the College.

NOTE 2 — DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk – Custodial credit risk for deposits is the risk that the College will not be able to recover deposits if a depository financial institution fails or to recover the value of collateral securities that are in the possession of an outside party if the counterparty to the deposit transaction fails.

Deposits may include demand deposits with banks, certificates of deposits with banks and amounts held by the State Treasurer. At June 30, 2012, the College's carrying value of deposits with banks was \$44,844,002. Of the associated bank balances amounting to \$46,538,008, the Federal Deposit Insurance Corporation insured \$1,203,068. The remaining balance was collateralized by securities held by the Federal Reserve Bank of the United States of America at Federal Home Loan Bank and held by NBSC, a division of Synovus Bank, and pledged to the College by the financial institutions.

The College did not recognize losses in the year ended June 30, 2012, due to default by counterparties.

Foreign Currency Risk – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of a deposit. The College does not maintain

deposits that are denominated in a currency other than the United States dollar; and therefore, is not exposed to this risk.

Investments

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the College will not be able to recover the value of the investments or the collateral securities that are in the possession of the outside party. The College held no investments at June 30, 2012. Cash deposits in excess of daily cash requirements needed to fund operations were held in an interest-bearing money market account.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College limits its investments to the safest types of securities through policy and legal restrictions.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The credit risk of investments and issuers were previously discussed and the concentration in one particular issuer does not increase the credit risk to the College.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. It occurs because potential purchasers of debt securities will not pay the face value of the securities if interest rates subsequently increase, thereby, affording potential purchasers more favorable rates on essentially equivalent securities. Part of the interest rate risk experienced with debt securities is maturity risk. The College structures its investment portfolio so securities mature to meet cash requirements for ongoing operations to prevent the need to liquidate securities prior to maturity. Another component of interest rate risk is the exposure to fluctuations in the purchase price caused by stated earnings rates of the investments.

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**NOTE 2 — DEPOSITS AND
INVESTMENTS (CONTINUED)**

Deposits – Non-governmental discretely
presented component unit

The Trident Technical College Foundation is exposed to concentrations of credit risk relating to its deposits with a single local financial institution. At June 30, 2012, the Foundation's carrying value of deposits was \$346,652. The bank's balance for these deposits was \$394,606, of which \$250,000 was insured by the Federal Deposit Insurance Corporation (FDIC) and \$144,606 was unsecured.

Investments – Non-governmental discretely
presented component unit

The Foundation has investments consisting of money market funds, marketable debt securities and equity securities, which are carried at fair value. The investments held by the Foundation are in various accounts at a national brokerage firm. Unrealized gains and losses are included in the change in net assets in the Statement of Activities.

The following summarizes the cost and fair value of the investments of the Foundation at June 30, 2012:

	<u>Fair Value</u>	<u>Cost</u>
Money Market	\$ 60,687	\$ 60,687
Fixed Income	1,728,752	1,638,480
Equities	2,276,296	2,089,128
Real assets funds	<u>352,370</u>	<u>359,608</u>
 Total Investments	 <u>\$ 4,418,105</u>	 <u>\$ 4,147,903</u>

The ratings on all fixed income securities as of June 30, 2012 was AAA at Moody's in government obligations; BBB to AAA at Standard & Poor's for corporate obligations; AA- to AA+ in domestic mutual funds; and A+ & 4Star in internal mutual funds.

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NOTE 2 — DEPOSITS AND INVESTMENTS (CONTINUED)

The following schedule reconciles cash and investments reported in the financial statements with footnote disclosures for deposits and investments.

DEPOSITS AND INVESTMENTS NOTE:

College	
Cash on hand	\$ 22,750
On deposit with banks	<u>44,844,002</u>
College total	<u>44,866,752</u>
Foundation	
On deposit with banks	346,652
Investments	<u>4,418,105</u>
Foundation total	<u>4,764,757</u>
Note disclosure total	<u><u>\$ 49,631,509</u></u>

FINANCIAL STATEMENTS:

College	
Cash and cash equivalents	\$ 44,866,752
Investments	<u>-</u>
College total	<u>44,866,752</u>
Foundation	
Cash and cash equivalents	346,652
Investments	<u>4,418,105</u>
Foundation total	<u>\$ 4,764,757</u>
Statements total	<u><u>\$ 49,631,509</u></u>

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NOTE 3 — ACCOUNTS RECEIVABLE AND PROMISES TO GIVE

The College's receivables as of June 30, 2012, including applicable allowances, were as follows:

<u>Receivables:</u>	
Student accounts	\$ 13,116,907
County appropriations and other funding	1,252,657
Federal grants and contracts	656,412
State grants and contracts	5,636,522
Local grants and contracts	83,877
Other	1,061,648
Gross accounts receivable	21,808,023
Less allowance for doubtful accounts	<u>(2,674,000)</u>
Net accounts receivable	<u>\$ 19,134,023</u>

The Foundation had unconditional promises to give at June 30, 2012, as follows:

Receivable in	
Less than one year	\$ 27,500
One to five years	1,602,195
More than five years	666,294
Total unconditional promises to give	2,295,989
Less discount to net present value	(285,338)
Less allowance for doubtful accounts	<u>-</u>
Net unconditional promises to give at June 30	<u>\$ 2,010,651</u>

Discount to net present value was calculated using the interest rate of 3.25 percent at June 30, 2012.

NOTE 4 — ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses as of June 30, 2012, are summarized as follows:

Accounts payable	\$ 2,572,658
Benefits payable	1,117,746
Sales tax payable	59,358
Restricted grants payable	437,131
Retainage payable	70,254
Accrued interest payable	7,303
Total accounts payable and accrued liabilities	<u>\$ 4,264,450</u>

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NOTE 5 — CAPITAL ASSETS

The following is a summary of the changes in the capital assets accounts during the year ended June 30, 2012.

	Beginning Balance June 30, 2011	Increases	Decreases	Ending Balance June 30, 2012
Capital assets not being depreciated:				
Land and improvements	\$ 7,132,114	\$ -	\$ -	\$ 7,132,114
Construction in progress	1,600,564	4,564,058	(740,677)	5,423,945
Total capital assets not being depreciated	8,732,678	4,564,058	(740,677)	12,556,059
Other capital assets:				
Buildings and improvements	112,887,823	293,417	-	113,181,240
Machinery, equipment, and other	19,631,005	1,732,566	(767,498)	20,596,073
Vehicles	1,109,605	71,933	-	1,181,538
Depreciable land improvements	766,114	447,260	-	1,213,374
Intangibles	332,962	-	(12,043)	320,919
Total other capital assets at historical cost	134,727,509	2,545,176	(779,541)	136,493,144
Less accumulated depreciation for:				
Buildings and improvements	(45,657,400)	(3,712,392)	-	(49,369,792)
Machinery, equipment, and other	(17,966,083)	(1,131,026)	769,500	(18,327,609)
Vehicles	(997,886)	(43,522)	-	(1,041,408)
Depreciable land improvements	(176,316)	(80,598)	-	(256,914)
Intangibles	(324,933)	-	4,014	(320,919)
Total accumulated depreciation	(65,122,618)	(4,967,538)	773,514	(69,316,642)
Other capital assets, net:	69,604,891	(2,422,362)	(6,027)	67,176,502
Capital assets, net	<u>\$ 78,337,569</u>	<u>\$ 2,141,696</u>	<u>\$ (746,704)</u>	<u>\$ 79,732,561</u>

Noncash transactions included the disposal of other capital assets at their book value with no sales proceeds which resulted in a loss on disposal of assets in the amount of \$6,027.

NOTE 6 — PENSION PLAN(S)

The South Carolina Retirement Systems, a Division of the State Budget and Control Board administers four defined benefit pension plans and issues its own publicly available Comprehensive Annual Financial Report (CAFR) which includes financial statements and required supplementary information. A copy of the separately issued CAFR is publicly available on its website (www.retirement.sc.gov) or may be obtained by writing to Financial Services, South Carolina Retirement Systems, Post Office Box 11960, Columbia, South Carolina 29211-1960. Furthermore, the Retirement Systems and the four pension plans are included in the CAFR of the State of South Carolina.

Article X, Section 16, of the South Carolina Constitution requires that all State-operated retirement systems be funded on a sound actuarial basis. Title 9 of the South Carolina Code of Laws of 1976, as amended, prescribes requirements relating to membership, benefits, and employee/employer contributions for each pension plan. Employee and employer contribution rates for the South Carolina Retirement System (SCRS) and the Police Officers Retirement System (PORS) are actuarially determined. Annual benefits, payable monthly for life, are based on length of service and on average final compensation.

In addition, the State General Assembly periodically directs the Retirement Systems to pay supplemental (cost of living) increases to retirees. Such increases are primarily funded from Systems' earnings; however, a portion of the required amount is appropriated from the State General Fund annually for the SCRS and PORS benefits.

South Carolina Retirement System

The majority of employees of the College are covered by a retirement plan through SCRS, a cost-sharing multiple-employer defined benefit pension plan administered by the Retirement Systems, a public employee retirement system. Generally all State employees are required to participate in and contribute to the SCRS as a condition of

employment unless exempted by law as provided in Section 9-1-480 of the South Carolina Code of Laws. This plan provides retirement annuity benefits as well as disability, cost of living adjustment, death, and group-life insurance benefits to eligible employees and retirees.

Employees participating in the SCRS were required to contribute 6.5 percent of all compensation for the three most recent fiscal years ending June 30, 2012, 2011, and 2010. The required contribution rate from the College, as employer, was 9.385 percent for fiscal year ending June 30, 2012, and 9.24 percent for fiscal years ending June 30, 2011, and 2010. The College's actual contributions to the SCRS for these same fiscal years were equal to the required contributions and amounted to \$3,406,429, \$3,178,317, and \$3,031,181 respectively. In addition, the College was required to contribute a surcharge to fund retiree health and dental insurance coverage of 4.3 percent for fiscal year 2012, 3.90 percent for fiscal year 2011, and 3.50 percent for fiscal year 2010. As a result, the College's total actual contribution rates were 13.685 percent for fiscal year ending June 30, 2012, 13.14 percent for fiscal year ending June 30, 2011, and 12.74 percent for fiscal year ending June 30, 2010.

The College also paid employer group-life insurance contributions of \$54,445 in the current fiscal year at the rate of 0.15 percent of compensation.

Effective July 1, 2012, the SCRS employee contribution rate will increase by 1.065 percent to 10.45 percent. The required employee contribution for SCRS will increase to 7.0 percent of compensation.

Police Officers Retirement System

The South Carolina Police Officers Retirement System (PORS) is a cost-sharing multiple-employer defined benefit public employee retirement plan administered by the Retirement Division. Generally all full-time employees whose principal duties are the preservation of public order or the protection or prevention and control of property

NOTE 6 — PENSION PLAN(S)
(CONTINUED)

destruction by fire are required to participate in and contribute to the System as a condition of employment. This plan provides annuity benefits as well as disability and group-life insurance benefits to eligible employees and retirees. In addition, participating employers in the PORS contribute to the accidental death fund which provides annuity benefits to beneficiaries of police officers and firemen killed in the actual performance of their duties. These benefits are independent of any other retirement benefits available to the beneficiary.

Employees participating in the PORS were required to contribute 6.5 percent of all compensation for the three most recent fiscal years ending June 30, 2012, 2011, and 2010. The required contribution rate from the College, as employer, was 11.363 percent for fiscal year ending June 30, 2012, 11.13 percent for fiscal year ending June 30, 2011, and 10.65 percent for the fiscal year ending June 30, 2010. The College's actual contributions to the PORS for these fiscal years were equal to the required contributions and amounted to \$142,785, \$113,034, and \$98,560, respectively. In addition, the College, as employer, was required to contribute a surcharge to fund retiree health and dental insurance coverage at a rate of 4.3 percent for fiscal year 2012, 3.90 percent for fiscal year 2011, and 3.50 percent for fiscal year 2010. As a result, the College's total actual contribution rates were 15.663 percent for the fiscal year ended June 30, 2012, 15.03 percent for the fiscal year ended June 30, 2011, and 14.15 percent for the fiscal year ended June 30, 2010. Also, the College paid employer group-life insurance contributions of \$2,513 and accidental death insurance contributions of \$2,513 in the current fiscal year for PORS participants. The rate for each of these insurance benefits is 0.20 percent of compensation.

Effective July 1, 2012, the PORS employer contribution rate will increase by 0.537 percent to 11.9 percent. The required

employee contribution for PORS will increase to 7.0 percent of compensation.

Optional Retirement Program

The State Optional Retirement Program (State ORP) was first established as the Optional Retirement Program for Higher Education in 1987. In its current form, the State ORP is an alternative to the defined benefit SCRS plan offered to certain state, public school and higher education employees of the State. The State ORP, which is administered by the South Carolina Retirement Systems, is a defined contribution plan. State ORP participants direct the investment of their funds into a plan administered by investment providers. The State assumes no liability for State ORP benefits. Rather, the benefits are the liability of the investment providers and are governed by the terms of the contracts issued by them.

Under State law, contributions to the ORP are required at the same rates as for the SCRS, 9.385 percent plus the retiree surcharge of 4.3 percent from the employer in fiscal year 2012. Employees are eligible for group-life insurance benefits while participating in the State ORP. However, employees who participate in the State ORP are not eligible for postretirement group-life insurance benefits. For the fiscal year, total contribution requirements to the ORP were \$540,428 (excluding the surcharge) from the College as employer and \$374,298 from its employees as plan members. The College also paid to the SCRS employer group-life insurance contributions of \$8,637 in the current fiscal year at the rate of 0.15 percent of compensation.

Deferred Compensation Plans

Several optional deferred compensation plans are available to State employees and employers of its political subdivisions. Certain employees of the College have elected to participate. The multiple-employer plans, created under Internal Revenue Code Sections 457, 401(k) and 403(b), are administered by third parties and are not included in the Comprehensive Annual Financial Report of the State of South Carolina. Compensation deferred under the plans is placed in trust for the contributing employee.

NOTE 6 — PENSION PLAN(S)
(CONTINUED)

The State has no liability for losses under the plans. Employees may withdraw the current value of their contributions when they terminate State employment.

Employees may also withdraw contributions prior to termination if they meet requirements specified by the applicable plan.

Teacher and Employee Retention Incentive

Effective January 1, 2001, Section 9-1-2210 of the South Carolina Code of Laws allows employees eligible for service retirement to participate in the Teacher and Employee Retention Incentive (TERI) Program. TERI participants may retire and begin accumulating retirement benefits on a deferred basis without terminating employment for up to five years. Upon termination of employment or at the end of the TERI period, whichever is earlier, participants will begin receiving monthly service retirement benefits which will include any cost of living adjustments granted during the TERI period. Because participants are considered retired during the TERI period, they do not earn service credit and are ineligible to receive group life insurance benefits or disability retirement benefits. Effective July 1, 2005, employees who choose to participate in the TERI Program after this effective date will be required to make SCRS contributions. Due to the South Carolina Supreme Court decision in *Layman et al v. South Carolina Retirement System and the State of South Carolina*, employees who chose to participate in the TERI Program prior to July 1, 2005 are not required to make SCRS contributions.

**NOTE 7 — POSTEMPLOYMENT AND
OTHER EMPLOYEE BENEFITS**

Postemployment Benefits

The State provides postemployment health and dental benefits to employees who retire from State service or who terminated with at least 20 years of State service who meet one or more of the eligibility requirements, such as age, length of service, and hire date.

Generally, those who retire must have at least 10 years of retirement service credit to qualify for these State-funded benefits. Benefits are effective at the date of retirement when the employee is eligible for retirement benefits.

Effective May 1, 2008, Section 1-11-5 of the South Carolina Code of Laws created the South Carolina Retiree Health Insurance Trust Fund (SCRHI Trust Fund) and the South Carolina Long Term Disability Insurance Trust Fund (LTDI Trust Fund) to provide a method of paying and accounting for retiree health insurance premiums and basic long-term disability income benefit plan premiums. The establishment of these trusts allows the State to account for the cost-sharing multiple-employer defined benefit postemployment healthcare and long-term disability plans in compliance with GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The establishing legislation provides the Legislature and the South Carolina Budget and Control Board the authority to establish and amend benefit provisions of the plans.

Complete financial statements for the trust funds may be obtained by writing to Employee Insurance Program, 1201 Main Street, Suite 360, Columbia, South Carolina 29201.

The College was required to contribute 4.3 percent for fiscal year 2012, 3.90 percent for fiscal year 2011, and 3.5 percent of covered payroll for fiscal year 2010 (referred to as the surcharge in Note 6). Costs of the plan exceeding the mandatory contributions established by the governing board of the plan are funded through appropriations from the General Assembly of the State of South Carolina. The College receives funding for mandatory contributions through its annual state appropriations and other applicable funding sources. The College's actual contribution for retirement benefits equaled the required contribution and amounted to \$1,862,395, \$1,587,964, and \$1,352,023 for fiscal years 2012, 2011, and 2010, respectively. These payments are remitted to the South Carolina Retirement System for

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**NOTE 7 — POSTEMPLOYMENT AND
OTHER EMPLOYEE BENEFITS
(CONTINUED)**

distribution to the SCRHI Trust Fund and LTDI Trust Fund which have contracted with the Employee Insurance Programs for administration of the plan benefits.

Effective July 1, 2012, the insurance surcharge rate will increase to 4.55 percent.

By state law, the College has no liability for retirement benefits. Accordingly, an annual required contribution and related liability of the employer is not included in the accompanying financial statements.

Other Employee Benefits

In accordance with the South Carolina Code of Laws and the annual Appropriation Act, the State of South Carolina provides certain health care, dental, and life insurance benefits to all permanent full-time and certain permanent part-time employees of the College. These benefits are provided on a reimbursement basis by the employer agency based on rates established at the beginning of the service period by the Employee Insurance Programs within the Division of Insurance of the South Carolina Budget and Control Board. The College recorded benefit expenses for these

insurance benefits for active employees in the amount of \$3,224,858 for the year ended June 30, 2012.

**NOTE 8 — CONTINGENCIES,
LITIGATION, AND PROJECT
COMMITMENTS**

The College is party to various lawsuits arising out of the normal conduct of its operations. In the opinion of College management, there are no material claims or lawsuits against the College that are not covered by insurance or whose settlement would materially affect the College's financial position.

The College participates in certain Federal grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Management believes disallowances, if any, will not be material.

The College had outstanding commitments under construction contracts of approximately \$31,005,033 at June 30, 2012. The College anticipates funding these projects out of current resources, current and future debt issues, private gifts, student fees and Charleston, Berkeley and Dorchester County allocations.

NOTE 9 — LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2012, was as follows:

	June 30, 2011	Additions	Reductions	June 30, 2012	Due Within One Year
Notes Payable	\$ 5,117,634	\$ -	\$ (2,517,050)	\$ 2,600,584	\$ 2,060,377
Accrued Compensated Absences	3,249,837	1,834,905	(1,480,677)	3,604,065	234,934
Total Long-Term Liabilities	<u>\$ 8,367,471</u>	<u>\$ 1,834,905</u>	<u>\$ (3,997,727)</u>	<u>\$ 6,204,649</u>	<u>\$ 2,295,311</u>

Additional information regarding Notes Payable is included in *Note 11*.

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NOTE 10 — LEASE OBLIGATIONS

Contingent Rental Agreements

The College rents copiers under operating leases renewable annually with no minimum

lease payments specified. The contracts are strictly on contingent (a “cost per copy”) rental basis. The College incurred rental expense of \$237,023 during the fiscal year related to these leases.

NOTE 11 — NOTES PAYABLE

Notes payable consisted of the following at June 30, 2012:

Bank note payable originated in the amount of \$9,500,000 to finance construction, dated July 2003, payable in semi-annual installments of \$552,356 including interest at 3.04%, maturing July 2013.	\$ 1,080,028
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Bank note payable originated in the amount of \$8,000,000 to finance construction, dated February 2004, payable in semi-annual installments of \$475,102 including interest at 3.52%, maturing February 2014.	1,376,570
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SC Energy Office Conserfund note payable originated in the amount of \$504,208 to finance HVAC and lighting retrofit in Building 400, payable in ten annual installments including interest at 1.00%, maturing December 2013.	107,006
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SC Energy Office Program (SEP) funding award of \$221,881 requiring repayment of 25% of the advanced funds used to replace manual electrical switches in buildings on all three campuses for energy efficiency. The repayment portion is required to be repaid with no interest in three annual installments beginning November 2011 and maturing November 2014.	36,980
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Total notes payable	\$ 2,600,584
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The scheduled maturities of the notes payable are as follows:

Year Ending June 30	Principal	Interest	Total Payments
2013	\$ 2,060,377	\$ 66,281	\$ 2,126,658
2014	540,207	8,768	548,975
Total	\$ 2,600,584	\$ 75,049	\$ 2,675,633

NOTE 12 — RISK MANAGEMENT

The College is exposed to various risks of loss and maintains State or commercial insurance coverage for each of those risks. Management

believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settlement claims have not exceeded this coverage in any of the past three years.

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NOTE 12 — RISK MANAGEMENT
(CONTINUED)

The State of South Carolina believes it is more economical to manage certain risks internally and set aside assets for claim settlement. Several state funds accumulate assets and the State itself assumes substantially all the risk for the following claims of covered employees:

- Unemployment compensation benefits
- Worker's compensation benefits for job-related illnesses or injuries
- Health and dental insurance benefits
- Long-term disability and group-life insurance benefits

Employees elect health insurance coverage through either a health maintenance organization or through the State's self-

insured plan. The costs recognized by the College are disclosed in *Note 7*.

The College and other entities pay premiums to the State's Insurance Reserve Fund (IRF), which issues policies, accumulates assets to cover the risk of loss, and pays claims incurred for covered losses relating to the following activities:

- Theft, damage to, or destruction of assets
- Real property, its contents, and other equipment
- Motor vehicles and watercraft
- Torts
- Natural disasters
- Medical malpractice claims against the infirmary

The IRF is a self-insurer and purchases reinsurance to obtain certain services and to limit losses in certain areas. The IRF's rates are determined actuarially.

The College obtains coverage through a commercial insurer for employee fidelity bond insurance for all employees for losses arising from theft or misappropriation and also for student accident insurance.

Premium payments during the year-ended June 30, 2012, were paid as follows:

Insurance Reserve Fund	\$ 242,573
Tort liability	146,294
Student Accident Insurance	15,432
State Accident Fund (Student)	<u>26,167</u>
Total	<u>\$ 430,466</u>

NOTE 13 — OPERATING EXPENSES BY FUNCTION

Operating expenses by functional classification for the year ended June 30, 2012, are summarized as follows:

	<u>Salaries</u>	<u>Benefits</u>	<u>Supplies/Other</u>	<u>Scholarships</u>	<u>Utilities</u>	<u>Depreciation</u>	<u>TOTAL</u>
Instruction	\$28,633,347	\$ 7,138,063	\$ 5,512,698	\$ -	\$ -	\$ -	\$41,284,108
Academic Support	4,532,120	1,476,832	3,488,625	-	-	-	9,497,577
Student Services	5,902,578	1,747,891	2,865,773	-	-	-	10,516,242
Oper & Maint Plant	3,023,743	936,232	2,880,008	-	2,623,798	-	9,463,781
Institutional Support	8,094,472	1,966,214	3,225,196	-	-	-	13,285,882
Scholarships	-	-	-	29,983,315	-	-	29,983,315
Auxiliary Enterprises	522,606	162,463	10,199,785	-	112,769	-	10,997,623
Depreciation	-	-	-	-	-	4,967,538	4,967,538
Total	<u>\$ 50,708,866</u>	<u>\$ 13,427,695</u>	<u>\$ 28,172,085</u>	<u>\$ 29,983,315</u>	<u>\$ 2,736,567</u>	<u>\$ 4,967,538</u>	<u>\$ 129,996,066</u>

Trident Technical College
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NOTE 14 — TRANSACTIONS WITH COMPONENT UNITS

The Foundation awarded scholarships, fellowships and stipends of \$415,353 to faculty and students of the College. Furthermore, the Foundation provided other program support and lobbyist fees of \$508,968 during the year ending June 30, 2012. The Foundation also paid the College \$52,717 for administrative services and office space during the year.

NOTE 15 — STATE APPROPRIATIONS

State funds for the South Carolina Technical College System are appropriated to the State Board for Technical and Comprehensive Education (the Board) and the Board allocates funds budgeted for the technical colleges in a uniform and equitable manner. The following is a detailed schedule of State appropriations revenue reported in the financial statements for the fiscal year ended June 30, 2012.

<u>Non-capital appropriations</u>	
Original Appropriations per annual appropriations acts	\$ 13,265,395
Lottery technology	266,121
Culinary institute	468,522
Total non-capital appropriations recorded as current year revenue	<u>\$ 14,000,038</u>

NOTE 16 — REQUIRED INFORMATION ON BUSINESS – TYPE ACTIVITIES

To assist the Comptroller General's Office of the State of South Carolina, the following information is provided on the business-type activities of the stand-alone enterprise (the College):

	2012	2011	Increase/ (Decrease)
Charges for services	\$ 66,354,019	\$ 58,668,829	\$ 7,685,190
Operating grants and contributions	56,663,616	55,529,912	1,133,704
Capital grants and contributions	1,674,322	544,172	1,130,150
Less: expenses	<u>(130,136,233)</u>	<u>(118,588,113)</u>	<u>(11,548,120)</u>
Net program revenue (expense)	<u>(5,444,276)</u>	<u>(3,845,200)</u>	<u>(1,599,076)</u>
Transfers:			
State appropriations	<u>14,000,038</u>	<u>13,438,112</u>	<u>561,926</u>
Total transfers	<u>14,000,038</u>	<u>13,438,112</u>	<u>561,926</u>
Change in net assets	8,555,762	9,592,912	(1,037,150)
Net assets-beginning	<u>114,507,441</u>	<u>104,914,529</u>	<u>9,592,912</u>
Net assets-ending	<u>\$ 123,063,203</u>	<u>\$ 114,507,441</u>	<u>\$ 8,555,762</u>

***NOTE 17 — TRANSACTIONS WITH
OTHER AGENCIES***

The College had certain transactions with the State of South Carolina and various agencies.

Services received at no cost from State agencies include banking and bond trustee services from the State Treasurer.

Other services received at no cost from the various offices of the State Budget and Control Board include pension plan administration, insurance plans administration, audit services, grant services, personnel management, assistance in the preparation of the State Budget, review and approval of certain budget amendments, procurement services, and other centralized functions.

NOTE 18 — SUBSEQUENT EVENTS

On July 2, 2012, the College acquired a Special Fund Capital Improvement Note in the amount of \$11,000,000 to meet the cash flow required during the construction period of the Nursing and Science Building. The Note, with a maturity date of August 1, 2022, is dated July 2, 2012 and is payable in semi-annual installments of \$668,047, including interest of 1.91%. Interest-only payments are due in February 2013 and August 2013.

Subsequent events were evaluated through September 13, 2012, which is the date the financial statements were available for issue. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

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Comprehensive Annual Financial Report

**Schedule of Reconciliation of Revenues and Cash
Reimbursements Received from State Board
For the Year Ended June 30, 2012**

Schedule 1
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	State Sub Fund Code	Amount
<u>Net reimbursements requested per College records</u>		
Academic Endowment	1001	\$ 529
Administration - sale of assets	3958	24,653
Miscellaneous- procurement card rebate	3805	8,076
Broadband - ARRA stimulus	51S79	376,935
Capital reserve-training equipment	36349	500,000
Critical needs nursing	1001	37,643
Culinary arts allocation	1001	468,522
Deferred maintainence	36038	1,166,957
Educational lottery funds	43B1	5,927,775
EEDA Pathways	1001	37,784
Energy program training	34S8	12,444
Lottery technology	43B1	246,007
ReadySC	1001	9,961
ReadySC	39H2	749
ReadySC	3634	288,886
State Board operational allocation	1001	13,265,395
Weatherization - ARRA Economic Opportunity	32S1	36,000
Total reimbursement requests		<u>\$ 22,408,316</u>
<u>Reconciliation of receipts to requests</u>		
Academic Endowment	1001	\$ 529
Administration - sale of assets	3958	35,318
Procurement card rebate	3805	8,076
Broadband - ARRA stimulus	51S79	376,935
Capital reserve-training equipment	36349	500,000
Critical needs nursing	1001	37,643
Culinary arts allocation	1001	468,522
Deferred maintainence	36038	1,166,957
Educational lottery funds	43B1	9,233,367
EEDA Pathways	1001	37,784
Energy program training	34S8	12,444
Lottery technology	43B1	370,024
ReadySC	1001	28,591
ReadySC	39H2	1,606
ReadySC	3634	29,255
State Board operational allocation	1001	13,265,395
Weatherization - ARRA Economic Opportunity	32S1	16,000
Total cash received		<u>25,588,446</u>

Trident Technical College
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**Schedule of Reconciliation of Revenues and Cash
Reimbursements Received from State Board
For the Year Ended June 30, 2012**

Schedule 1
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	State Sub Fund Code	Amount
<u>Deduct Reimbursements Receivable at June 30, 2011</u>		
Administration - sale of assets	3958	10,665
Lottery Tuition Assistance	43B1	4,705,810
ReadySC	39H2	857
Lottery Technology	43B1	370,024
ReadySC	1001	18,630
Total		<u>5,105,986</u>
<u>Add Reimbursements Receivable at June 30, 2012</u>		
Educational lottery funds	43B1	1,400,218
Lottery technology	43B1	246,007
ReadySC	3634	259,631
Weatherization - ARRA Economic Opportunity	32S1	20,000
Total		<u>1,925,856</u>
Total reimbursement requests		<u><u>\$ 22,408,316</u></u>

Trident Technical College
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**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
Page 1 of 9

	Salaries	Other Expenditures	Total
UNRESTRICTED CURRENT EXPENDITURES			
INSTRUCTION			
Academic Printing	\$ -	\$ 22,388	\$ 22,388
Accounting	404,577	114,967	519,544
Advisory Committees	-	1,340	1,340
Air Conditioning/Refrigeration	169,922	76,003	245,925
Aircraft Maintenance	430,058	169,629	599,687
Aircraft Manufacturing	108,284	59,328	167,612
Automation and Instrumentation	123,446	30,514	153,960
Automotive Technology	188,722	79,642	268,364
Avionics	65,430	28,094	93,524
Basic Construction Trades	120,158	38,120	158,278
Behavioral/Social Sciences	818,439	216,458	1,034,897
Biological Sciences	1,428,086	442,787	1,870,873
Business Technology	770,968	206,314	977,282
Civil Engineering Technology	126,340	41,985	168,325
Construction and Industrial	186,355	48,954	235,309
Cosmetology	462,026	137,413	599,439
Criminal Justice	491,807	126,690	618,497
Dental Hygiene	282,730	107,153	389,883
Distance Learning	440,965	246,663	687,628
Early Childhood Development	255,786	70,837	326,623
Electrical Line Worker Program	80,153	33,690	113,843
Electronics Engineering Technology	337,829	130,951	468,780
Emergency Medical Technology	286,882	82,564	369,446
English & Journalism	1,484,928	373,670	1,858,598
Esthetics	-	24,526	24,526
Expanded Duty Dental Assisting	132,862	37,594	170,456
Film Production	258,138	160,653	418,791
History/Humanities	992,921	228,226	1,221,147
Horticulture	135,211	82,915	218,126
Hospitality/Tourism	795,188	614,601	1,409,789
Human Services	250,985	71,472	322,457
Industrial Drafting	171,317	48,554	219,871
Industrial Maintenance	35,174	16,523	51,697
Information Systems	1,027,841	237,328	1,265,169
International Education	-	616	616
Machine Tool Technology	93,080	87,091	180,171
Massage Therapy	38,648	10,852	49,500
Math - QEP	53,500	29,826	83,326
Mathematics	1,637,085	471,222	2,108,307
Mechanical Engineering	139,842	46,137	185,979

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
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	Salaries	Other Expenditures	Total
INSTRUCTION (CONTINUED)			
Medical Office Assisting	\$ 79,485	\$ 27,425	\$ 106,910
Medical Lab Technology	202,650	121,462	324,112
Medical Records Coder	51,233	15,020	66,253
Nails	-	22,870	22,870
Network Systems Management	429,420	103,444	532,864
Nursing	2,464,018	701,092	3,165,110
Occupational Therapy	81,421	26,199	107,620
Office Information Technology	144,200	35,084	179,284
Ophthalmic Clinical Assistant	55,505	21,379	76,884
Paralegal/Legal Assistance	167,688	58,059	225,747
Pharmacy Technician	66,391	15,062	81,453
Phlebotomy	-	10	10
Physical Sciences-General	845,124	268,781	1,113,905
Physical Therapy	116,586	44,199	160,785
Radio/TV Broadcasting	286,316	124,941	411,257
Radiology Technician	132,596	48,461	181,057
Respiratory Care	326,440	70,901	397,341
Speech-Foreign Language	884,880	252,222	1,137,102
The Learning Center	1,473,174	384,037	1,857,211
Veterinary Technology	159,647	87,756	247,403
Visual Arts	702,833	198,331	901,164
Welding Technology	157,468	136,324	293,792
Aeronautical Training	472,074	664,812	1,136,886
Corporate & IT Training	135,767	272,088	407,855
Green Business & Sustainability	202,386	123,363	325,749
Healthcare	655,614	324,097	979,711
Manufacturing, Industrial and Construction Trades	463,672	661,800	1,125,472
Offsite Programs	142,559	45,211	187,770
Personal Enrichment & Special Projects	264,543	265,969	530,512
Networking Services- Academics	495	442,459	442,954
Systems & Operations Services- Academics	66,695	280,759	347,454
Workers Compensation for Student Apprentices	-	26,167	26,167
Instructional Costs-Allocated	1,536,855	1,212,840	2,749,695
Total Instruction	27,593,418	12,136,914	39,730,332
ACADEMIC SUPPORT			
Accreditations	-	56,232	56,232
Achieving the Dream/Bridge Initiative	36,001	15,702	51,703
Associate Dean- Palmer	73,442	26,235	99,677
Berkeley Campus	197,560	69,210	266,770
Continuing Education-Administrative Support	290,785	134,662	425,447

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
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	Salaries	Other Expenditures	Total
ACADEMIC SUPPORT (CONTINUED)			
Center for Information Technology Training	\$ 330,197	\$ 109,539	\$ 439,736
Center for Teaching Support	220,797	74,312	295,109
Dean-Aeronautical Studies	90,527	29,484	120,011
Dean-Allied Health	191,392	64,163	255,555
Dean-Business Technology	333,128	90,779	423,907
Dean-Community Family Child Services	120,237	43,111	163,348
Dean-Developmental Studies	114,838	38,456	153,294
Dean-Film, Media & Visual Arts	129,406	37,522	166,928
Dean-Hospitality	117,243	162,547	279,790
Dean-Humanities & Social Sciences	229,526	70,739	300,265
Dean-Industrial Engineering Technology	301,709	106,084	407,793
Dean-Law Related Studies	218,547	68,570	287,117
Dean-Nursing	216,769	67,286	284,055
Dean-Science & Mathematics	148,456	50,568	199,024
Director of Apprenticeship Programs	69,760	26,936	96,696
I.T.F.S.	18,162	12,521	30,683
Instruction	113,276	78,400	191,676
Library Asset Additions	-	154,080	154,080
Library Operations-Main	795,739	334,795	1,130,534
Media Services	-	4,201	4,201
Mini Grants	-	44,118	44,118
Orientation Services	207,476	67,893	275,369
Palmer Campus	186,130	76,635	262,765
Professional Development- Academics Affairs	-	89,597	89,597
Professional Development- Continuing Education	-	21,473	21,473
TTC Green Initiative	-	2,637	2,637
VP - Continuing Education	165,290	59,357	224,647
VP - Continuing Education Allocated Costs	-	78	78
Academic Support- Allocated Costs	(581,367)	314,367	(267,000)
Total Academic Support	4,335,026	2,602,289	6,937,315
STUDENT SERVICES			
Access and Equity	-	3,943	3,943
ADA	27,131	292,654	319,785
Admission & Records	483,470	182,105	665,575
Assistant Vice President Student Services	74,686	58,000	132,686
Assistant Vice President Special Projects	81,845	27,873	109,718
Career Planning	33,346	21,580	54,926
Cooperative Education	22,618	7,033	29,651
Counseling	358,336	115,810	474,146

Trident Technical College
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**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
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	Salaries	Other Expenditures	Total
STUDENT SERVICES (CONTINUED)			
Dean Student Development	\$ 108,301	\$ 33,420	\$ 141,721
Dean Enrollment Management	114,286	72,590	186,876
Enrollment/Retention	212,932	140,273	353,205
Financial Aid	1,045,171	337,464	1,382,635
Marketing Services	531,355	1,323,710	1,855,065
Professional Development- Student Services	-	40,583	40,583
Registrar's Office	542,734	187,530	730,264
Student Activities	96,334	106,992	203,326
Student Affairs- Institutional Work Study	19,184	-	19,184
Student Success- Berkeley	72,987	23,674	96,661
Student Success-Palmer	206,463	65,689	272,152
Students With Disabilities	-	1,706	1,706
Testing Services	232,774	155,322	388,096
Student Support- Allocations	311,701	514,736	826,437
Total Student Services	4,575,654	3,712,687	8,288,341
MAINTENANCE AND OPERATIONS			
Plant Maintenance- Main	1,172,406	4,941,480	6,113,886
Plant Maintenance- Berkeley	77,384	354,250	431,634
Plant Maintenance- Palmer	104,582	753,981	858,563
Plant Maintenance- Mt Pleasant	108,737	210,020	318,757
Plant Maintenance- Summerville Trolley Rd Site	10,218	304,713	314,931
Plant Maintenance- Offsite Facilities	-	66,929	66,929
Environment and Health	-	17,774	17,774
Equipment & Supply Control	137,019	89,605	226,624
Grounds Maintenance	-	112,589	112,589
Inventory Control	5,204	398	5,602
Public Safety- Main	1,178,706	599,999	1,778,705
Public Safety- Berkeley	139,935	47,951	187,886
Public Safety- Palmer	113,306	33,784	147,090
Plant Operations - Allocations	(23,754)	15,707	(8,047)
Total Maintenance and Operations	3,023,743	7,549,180	10,572,923
INSTITUTIONAL SUPPORT			
Area Commission	-	30,358	30,358
Business Office-Berkeley	-	20	20
Business Office-Main	64,474	38,728	103,202
Business Office-Palmer	55,439	25,150	80,589
College Net Fees	-	34,288	34,288
Development	315,804	143,622	459,426

Trident Technical College
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**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
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	Salaries	Other Expenditures	Total
INSTITUTIONAL SUPPORT (CONTINUED)			
Executive Administration	\$ -	\$ 38,177	\$ 38,177
Federal Work Study Matching	19,589	4,467	24,056
Financial Affairs	715,139	377,054	1,092,193
General Institutional Expense	1,535,774	1,862,158	3,397,932
Graduation	-	32,551	32,551
Human Resources Services	374,197	193,274	567,471
Information Services	501,139	150,903	652,042
Institutional Research	310,413	116,724	427,137
Insurance	-	379,437	379,437
Motor Vehicles	-	91,864	91,864
Motor Vehicles-Allocations	-	(68,984)	(68,984)
Networking Services	1,118,306	1,053,458	2,171,764
Planning and Accreditation	139,686	49,660	189,346
Postage & Freight	-	124,829	124,829
Postage Allocated	-	(110,268)	(110,268)
President's Office	387,107	126,735	513,842
President's Office Allocated Costs	-	721	721
Print Shop	158,579	388,808	547,387
Print Shop Allocated	-	(249,311)	(249,311)
Procurement and Risk Management	232,323	169,923	402,246
Professional Development - Advancement	-	34,237	34,237
Professional Development - Datatel	-	49,413	49,413
Professional Development - Finance & Administration	-	43,807	43,807
Professional Development - Planning	-	3,907	3,907
Professional Development - President	-	89,141	89,141
Professional Development- Information Technology	-	10,315	10,315
Quest	-	2,047	2,047
SOS Operations Administration	466,534	842,864	1,309,398
Telephone- Administration	34,617	15,407	50,024
Telephone- Berkeley	-	5,183	5,183
Telephone- Main	100,400	527,272	627,672
Telephone- Palmer	-	19,248	19,248
Telephone Costs Allocated	-	(777,262)	(777,262)
Web Services	222,017	63,550	285,567
VP- Academic Affairs	627,416	181,853	809,269
VP-Academic Affairs Allocated Costs	-	116,490	116,490
VP- Advancement	342,194	110,685	452,879
VP -Advancement Allocated Costs	-	776	776
VP- Finance & Administration	287,805	81,096	368,901
VP- Finance Allocated Costs	-	6,975	6,975

Trident Technical College
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**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
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	Salaries	Other Expenditures	Total
INSTITUTIONAL SUPPORT (CONTINUED)			
VP - Information Technology	\$ 262,221	\$ 72,416	\$ 334,637
VP - Information Technology Allocated Costs	-	501	501
VP - Student Services	210,123	110,909	321,032
VP - Student Services Allocated Costs	-	38,493	38,493
Institutional Support- Allocations	(777,297)	(1,252,920)	(2,030,217)
Total Institutional Support	7,703,999	5,400,749	13,104,748
STUDENT AID PROGRAMS			
Remissions & Exemptions	-	765,120	765,120
Total Educational & General	47,231,840	32,166,939	79,398,779
AUXILIARY ENTERPRISES			
Bookstore - Operating Overhead	303,531	440,096	743,627
Bookstore - Purchases for Resale	-	9,131,999	9,131,999
Auxiliary - Facilities Rentals	130,614	476,535	607,149
Auxiliary Expenditures - Other	-	1,625	1,625
Auxiliary Expenditures - President	-	206,911	206,911
Auxiliary Services - Allocations	88,461	217,851	306,312
Total Auxiliary Enterprises	522,606	10,475,017	10,997,623
Total Unrestricted Current Expenditures	\$ 47,754,446	\$ 42,641,956	\$ 90,396,402
<u>RESTRICTED CURRENT EXPENDITURES</u>			
INSTRUCTION			
State Programs			
Culinary Institute of Charleston	\$ 358,608	\$ 109,914	\$ 468,522
Nursing Faculty Salary Supplement	37,643	-	37,643
SC DEW	-	19,403	19,403
Federal Education and General Programs			
ARRA DOL Nursing	568,301	263,032	831,333
ARRA-Pathways Poverty	61,505	235,486	296,991
ARRA-Solar Energy Training Center	-	(656)	(656)
Weatherization Hot Climate Training	-	36,000	36,000
Other Programs			
Alcoa Foundation	-	913	913
Community Care	-	146	146
Electrical Line Worker Training	-	10,580	10,580
TTC Foundation-English Department Royalty	13,868	2,979	16,847
Total Instruction	1,039,925	677,797	1,717,722

Trident Technical College
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**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
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	Salaries	Other Expenditures	Total
ACADEMIC SUPPORT			
State Other Programs			
CNC Equipment	\$ -	\$ 414,540	\$ 414,540
JAG-Ballistic Vest Initiative	-	2,984	2,984
SC State Lottery Equipment Allocation	-	266,121	266,121
SC Film Commission	40,247	125,841	166,088
Federal Education and General Programs			
ARRA DOC Broadband	67,081	233,382	300,463
FIPSE	4,555	203,672	208,227
IMLS Grant	16,658	9,299	25,957
NSF - Center for Aviation	1,649	523	2,172
NSF - META	1,049	80	1,129
Project Assist	28,059	618,106	646,165
SCDSS Early Childhood Development	-	13,180	13,180
TEACH Early Childhood	-	5,277	5,277
Title III Strengthening Institutions	27,349	220,639	247,988
Other Programs			
Ready SC - Boeing	-	79,569	79,569
Boeing-STEM Grant	2,720	11,735	14,455
Ready SC - Bosch	-	664	664
E. Passages Trade Symposium	-	3,711	3,711
Google CS4HS	750	9,139	9,889
Other Restricted	-	11,814	11,814
SCCAC	-	961	961
TTC Foundation-Behavioral Science	-	4,275	4,275
TTC Foundation-Business Technology Royalty	-	1,290	1,290
TTC Foundation-Mini-Grants	-	60,000	60,000
TTC Foundation-Clemente Project	4,230	2,902	7,132
TTC Foundation-Dental Hygiene	-	4,362	4,362
TTC Foundation-Google (Quest 2012)	2,748	25,137	27,885
TTC Foundation-Steinberg Library	-	35,466	35,466
Total Academic Support	197,095	2,364,669	2,561,764
STUDENT SERVICES			
State Other Programs			
EEDA Pathways to Prosperity	19,909	28,797	48,706
EEDA Trident Regional Education Center	75,000	36,682	111,682
TREC CHE College Access Grant	-	8,658	8,658

Trident Technical College
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**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
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	Salaries	Other Expenditures	Total
STUDENT SERVICES (CONTINUED)			
Federal Education and General Programs			
Air Force Medical Service	\$ 24,266	\$ 44,146	\$ 68,412
FIPSE Directed Grant	138,143	121,868	260,011
TRIO--Student Support Services	193,297	109,247	302,544
TRIO--Upward Bound Math & Science	71,028	153,071	224,099
TRIO--Talent Search	246,263	133,127	379,390
TRIO--Educational Opportunity Centers	383,714	204,109	587,823
TRIO--Veteran's Upward Bound	124,941	116,592	241,533
Federal Student Financial Assistance			
Federal Work-Study Programs (FWS)	39,772	9,174	48,946
Other Programs			
Call Me Mister	6,500	10,988	17,488
Veterans Educational Transitions Services (VETS)	4,092	6,183	10,275
Total Student Services	1,326,925	982,642	2,309,567
MAINTENANCE AND OPERATIONS			
State Other Programs			
Recycling	-	221	221
Total Maintenance and Operations	-	221	221
INSTITUTIONAL SUPPORT			
Federal Student Financial Assistance			
Federal Work-Study Programs (FWS)	390,475	-	390,475
SLDS	-	12,104	12,104
Total Institutional Support	390,475	12,104	402,579
STUDENT AID PROGRAMS			
State Student Aid Programs			
Life Scholarship	-	1,568,165	1,568,165
Lottery Tuition Assistance	-	8,221,579	8,221,579
Needs Based Grant	-	1,485,080	1,485,080
SC National Guard CAP	-	157,895	157,895

Trident Technical College
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**Schedule of Current Funds Expenditures by Function
For the Year Ended June 30, 2012**

Schedule 2
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	Salaries	Other Expenditures	Total
STUDENT AID PROGRAMS (CONTINUED)			
Federal Student Financial Assistance			
Academic Competitiveness	\$ -	\$ (750)	\$ (750)
Federal Direct Student Loans	-	57,022,241	57,022,241
Federal Pell Grant Program (Pell)	-	39,467,991	39,467,991
Student Loans	-	350,780	350,780
Supplemental Education Opportunity (FSEOG)	-	346,418	346,418
Other Student Aid Programs			
Miscellaneous Foundation Scholarships	-	192,364	192,364
Total Student Aid Programs	-	108,811,763	108,811,763
Total Restricted Current Expenditures	\$ 2,954,420	\$ 112,849,196	\$ 115,803,616
Total Current Funds Expenditures	\$ 50,708,866	\$ 155,491,152	\$ 206,200,018

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenditures by Object
For the Year Ended June 30, 2012**

Schedule 3
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	Unrestricted	Restricted	Total
SALARIES			
Classified Positions	\$ 14,980,137	\$ 1,209,786	\$ 16,189,923
Unclassified Positions	21,273,280	664,034	21,937,314
Reimbursed Salary	(48,698)	50,348	1,650
Temporary Grant Positions	-	75,000	75,000
Classified Temporary	2,427,141	321,608	2,748,749
Overtime	85,321	-	85,321
Faculty Overload	642,476	-	642,476
Instructor - Community Interest Courses	89,552	-	89,552
Instruction Part Time	5,848,366	224,286	6,072,652
Student Earnings-College Work Study	-	390,474	390,474
Student Earnings-Institutional Work Study	183,476	-	183,476
Dual Employment	298,075	17,231	315,306
Lump Sum Bonus	1,533,147	-	1,533,147
Terminal Leave	442,173	1,653	443,826
Total Salaries	47,754,446	2,954,420	50,708,866
BENEFITS			
State Retirement	4,781,478	275,248	5,056,726
Retirement-Police Officers	123,279	-	123,279
Optional Retirement	271,257	16,294	287,551
Retirement - Retired Employees	594,377	15,819	610,196
Social Security	3,503,244	186,117	3,689,361
Workmen's Compensation Insurance	321,732	12,328	334,060
Unemployment Comp. Insurance	96,920	4,371	101,291
Health Insurance	2,977,440	150,924	3,128,364
Dental Insurance	91,099	5,396	96,495
Reimbursed Fringe	-	372	372
Total Benefits	12,760,826	666,869	13,427,695
CONTRACTED SERVICES			
Auditing, Accounting, Financial	22,500	-	22,500
Auxiliary	134,432	-	134,432
Book Processing Fees	2,490	-	2,490
Catered Meals	14,226	10,790	25,016
Collection Expenses	1,367,010	-	1,367,010
College Net Fees	34,288	-	34,288
Communications Equipment Repair	295,003	-	295,003
Consultants-Community Interest Courses	2,400	-	2,400
Consultants-Continuing Education Instruction	1,127,113	-	1,127,113
Credit Card Processing	261,685	-	261,685
Data Processing Services	1,727,345	137,047	1,864,392

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenditures by Object
For the Year Ended June 30, 2012**

Schedule 3
Page 2 of 5

	Unrestricted	Restricted	Total
CONTRACTED SERVICES (CONTINUED)			
Education and Training - State	\$ 16,020	\$ -	\$ 16,020
Education and Training - Non State	17,185	8,580	25,765
Freight-Express Delivery	2,127	-	2,127
General Repair	490,485	4,914	495,399
Janitorial & Security	1,061,531	-	1,061,531
Legal Services	4,389	-	4,389
Medical And Health Services	10,872	-	10,872
Motorized Vehicle Repair	(59)	-	(59)
Nelnet Credit Card Process Fee	26,599	-	26,599
Non-State Travel	31,433	16,163	47,596
Office Equipment Repair	3,583	-	3,583
Other Contractual	1,296,774	340,402	1,637,176
Other Professional	118,532	10,643	129,175
Per Diem	1,610	-	1,610
Photographic Services	34,767	750	35,517
Promotional Services	-	500	500
Printing, Binding, Advertising	1,171,379	11,940	1,183,319
Student Workers Compensation	26,167	-	26,167
Telecommunications	18,419	1,941	20,360
Telephone & Telegraph	14,568	-	14,568
Temporary Services	395,054	-	395,054
Unreimbursed Grant Expenses	1,696	-	1,696
Utilities	2,736,567	-	2,736,567
Total Contracted Services	12,468,190	543,670	13,011,860
SUPPLIES AND MATERIALS			
Agricultural, Marine, Forestry	5,730	-	5,730
Auxiliary Supplies	72,036	-	72,036
Building Construction & Renovation Supplies	9,974	-	9,974
Classroom Materials	9,633	2,790	12,423
Clothing Supplies	19,096	959	20,055
Data Processing Supplies	355,194	46,465	401,659
Discounts	(49)	-	(49)
Education Supplies	634,926	72,526	707,452
Exhibits	1,753	-	1,753
Food Supplies	290,370	2,187	292,557
Fuel	-	-	-
Janitorial Supplies	7	-	7
Instructional Materials	58,219	36,524	94,743
Library Books/Maps/Film	151,536	-	151,536
Maintenance Supplies	38,942	-	38,942
Medical, Scientific, Lab	116	-	116
Miscellaneous Charges	(2,660)	-	(2,660)

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenditures by Object
For the Year Ended June 30, 2012**

Schedule 3
Page 3 of 5

	Unrestricted	Restricted	Total
SUPPLIES AND MATERIALS (CONTINUED)			
Motor Vehicle Supplies	\$ 50,797	\$ -	\$ 50,797
Munitions-Targets & Law Enforcement	8,781	-	8,781
Office Supplies	372,800	73,208	446,008
Other Supplies	54,082	14,669	68,751
Parts - General Repairs	4,260	-	4,260
Photographic and Audio Visual	27,716	32,171	59,887
Pilferable Equipment	101,991	25,258	127,249
Postage	111,531	2,289	113,820
Printing - Commercial	(21,046)	20,308	(738)
Publications, Books, Periodicals	252	1,920	2,172
Purchasing Card	1,664,640	100,769	1,765,409
Testing Supplies	46,225	-	46,225
Total Supplies and Materials	4,066,852	432,043	4,498,895
FIXED CHARGES			
Dues and Membership Fees	95,690	28,166	123,856
Insurance-State	377,418	-	377,418
Late Payment Finance Charges	205	-	205
Other Interest Charges	46,246	-	46,246
Rental - Data Processing	37,650	-	37,650
Rental - Photocopy Equipment	237,018	-	237,018
Rental - Other	4,971	-	4,971
Rent-Non-State Owned Property	73,738	-	73,738
Total Fixed Charges	872,936	28,166	901,102
TRAVEL			
In-State Meals	3,456	582	4,038
In-State Lodging	17,198	1,278	18,476
In-State Private Auto Mileage	99,078	25,656	124,734
In-State Other Transportation	1,183	908	2,091
In-State Miscellaneous	1,529	70	1,599
In-State Registration	46,795	14,697	61,492
Non-Deductible Meals	652	59	711
Out-of-State Meals	10,359	2,838	13,197
Out-of-State Lodging	63,151	12,236	75,387
Out-of-State Air Transportation	30,647	5,242	35,889
Out-of State Private Auto Mileage	10,902	2,688	13,590
Out-of-State Other Transportation	4,305	2,127	6,432
Out-of-State Miscellaneous	2,868	593	3,461
Out-of-State Registration	48,976	10,588	59,564
Foreign Air Transportation	4,423	-	4,423

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenditures by Object
For the Year Ended June 30, 2012**

Schedule 3
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	Unrestricted	Restricted	Total
TRAVEL (CONTINUED)			
Foreign Lodging	\$ 1,813	\$ -	\$ 1,813
Foreign Air Meals	1,274	-	1,274
Foreign Miscellaneous	270	-	270
Foreign Other Transportation	24	-	24
Foreign Registration	2,400	-	2,400
Total Travel	351,303	79,562	430,865
EQUIPMENT ACQUISITIONS			
Data Processing Equipment	450,161	113,624	563,785
Educational Equipment	18,888	725,270	744,158
Non-Capital Equipment	557,159	654,907	1,212,066
Office Equipment	52,542	-	52,542
Other Equipment	78,023	118,526	196,549
Total Equipment Acquisitions	1,156,773	1,612,327	2,769,100
PERMANENT IMPROVEMENTS			
Renovations of Buildings/Additions	614,941	75,502	690,443
Total Permanent Improvements	614,941	75,502	690,443
PURCHASES FOR RESALE			
Bookstore - New Books	6,533,021	-	6,533,021
Bookstore - Used Books	173,556	-	173,556
Bookstore - Taxable Supplies	2,270,769	-	2,270,769
Bookstore - Freight	154,654	-	154,654
College Center - Catering	369,849	-	369,849
College Center - Labor/Setup	26,897	-	26,897
Esthetic	1,701	-	1,701
Nails	2,288	-	2,288
Automotive Technology	2,663	-	2,663
Cosmetology	10,808	-	10,808
Hospitality	38,809	-	38,809
Total Purchases for Resale	9,585,015	-	9,585,015
STUDENT AID PROGRAMS			
Financial Aid	431,219	108,811,763	109,242,982
Tuition Awards	321,998	-	321,998
Remission & Exemptions	11,903	-	11,903
Total Student Aid Programs	765,120	108,811,763	109,576,883

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Current Funds Expenditures by Object
For the Year Ended June 30, 2012**

Schedule 3
Page 5 of 5

	Unrestricted	Restricted	Total
OTHER EXPENDITURES			
Indirect Cost - Unrestricted	\$ -	\$ 221,442	\$ 221,442
Indirect Cost - General Fund	-	130,736	130,736
Trainee Tuition	-	214,620	214,620
Trainee Books	-	4,012	4,012
Student Supplies/Materials	-	540	540
Stipends-Support Services	-	19,545	19,545
Stipends-Grant Reimbursements	-	8,399	8,399
Total Other Expenditures	-	599,294	599,294
Total Current Funds Expenditures	\$ 90,396,402	\$ 115,803,616	\$ 206,200,018

**Auxiliary Enterprises
Schedule of Revenues and Expenditures
For the Year Ended June 30, 2012**

	Bookstore	Percent of Revenue	Facilities Rentals	Percent of Revenue	Food Service	Auxiliary Expenditures	TOTAL
REVENUE							
New Books	\$ 8,253,126	73.3%	\$ -	-	\$ -	\$ -	\$ 8,253,126
Used Books	342,177	3.0%	-	-	-	-	342,177
Supplies	2,651,538	23.5%	-	-	-	-	2,651,538
Commissions/Other	16,485	1.0%	-	-	129,528	-	146,013
Room Rental (Including Food)	-	-	481,962	88.5%	-	-	481,962
AV Equipment Rental and Services	-	-	62,636	11.5%	-	-	62,636
Total Revenue	11,263,326	100.0%	544,598	100.0%	129,528	-	11,937,452
Cost of Sales	9,131,999	81.1%	396,746	72.9%	-	-	9,528,745
Gross Profit	2,131,327	18.9%	147,852	27.1%	129,528	-	2,408,707
EXPENDITURES							
Salaries	362,908	3.2%	159,698	29.3%	-	-	522,606
Benefits	114,830	1.0%	47,633	8.7%	-	-	162,463
Contractual Services	437,211	3.9%	74,655	13.7%	-	136,057	647,923
Supplies and Materials	19,361	0.2%	28,425	5.2%	-	72,479	120,265
Fixed Charges	4,040	0.0%	2,671	0.5%	-	-	6,711
Travel	1,864	0.0%	490	0.1%	-	-	2,354
Equipment	6,556	0.1%	-	-	-	-	6,556
Total Expenditures	946,770	8.4%	313,572	57.6%	-	208,536	1,468,878
Excess Revenue Over (Under) Expenditures	\$ 1,184,557	10.5%	\$ (165,720)	-30.4%	\$ 129,528	\$ (208,536)	\$ 939,829

**Statement of Changes in Unexpended Plant Fund
For the Year Ended June 30, 2012**

Schedule 5

Revenue	
Capital Fees in Excess of Debt Requirements	\$ 1,981,826
TTC Foundation contributions	262,339
County Capital appropriations	1,411,983
State Appropriations - Deferred Maintenance	1,166,957
Total Revenue	<u>4,823,105</u>
Expenditures	
Buildings	4,619,728
Equipment	494,649
Other	74,723
Total Expenditures	<u>5,189,100</u>
Excess of revenue over (under) expenditures	(365,995)
Transfers	
Non-mandatory transfer	<u>7,000,000</u>
Net Increase for the year	6,634,005
Fund Balance, beginning of year	<u>16,294,524</u>
Fund Balance, end of year	<u><u>\$ 22,928,529</u></u>

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Capital Project Fund Balances and Sources of Funding
For the Year Ended June 30, 2012**

Schedule 6

CAPITAL PROJECTS	Project Balances June 30, 2011	Deductions			Budget Allocations	Project Balances June 30, 2012	Source of Funding for Capital Projects		Project Balances June 30, 2012
		Buildings	Equipment	Other			Unexpended Plant Fund Balance	External Funding	
Bldg 950 Renovation	\$ 9,218,240	\$ 2,296,083	\$ 494,649	\$ 41,461	\$ -	\$ 6,386,047	\$ 6,386,047	\$ -	\$ 6,386,047
Bldg 700/800 Restroom Renovation	-	98,352	-	-	98,352	-	-	-	-
Bldg 940 Roof Repair	452,403	197,731	-	-	(254,672)	-	-	-	-
Bldg 700/800 Roof Replacement	841,075	209,271	-	-	-	631,804	631,804	-	631,804
Bldg 940 Renovation	500,000	45,019	-	-	-	454,981	454,981	-	454,981
Mt Pleasant Campus	194,549	207,940	-	8,262	500,000	478,347	478,347	-	478,347
Nursing & Science Building	155,827	1,411,983	-	25,000	29,550,000	28,268,844	(25,000)	28,293,844	28,268,844
Nursing & Science - FF&E	1,000,000	-	-	-	6,000,000	7,000,000	7,000,000	-	7,000,000
Parking Expansion - Main	1,000,000	94,958	-	-	300,000	1,205,042	1,205,042	-	1,205,042
Berkeley Campus Repaving	-	7,200	-	-	300,000	292,800	292,800	-	292,800
Bldg 200/300 HVAC Repair	-	51,191	-	-	1,000,000	948,809	948,809	-	948,809
Bldg 630 Roof Replacement	-	-	-	-	680,000	680,000	680,000	-	680,000
Wetlands Mitigation	-	-	-	-	350,000	350,000	350,000	-	350,000
	<u>\$ 13,362,094</u>	<u>\$ (4,619,728)</u>	<u>\$ (494,649)</u>	<u>\$ (74,723)</u>	<u>\$ 38,523,680</u>	<u>\$ 46,696,674</u>	<u>\$ 18,402,830</u>	<u>\$ 28,293,844</u>	<u>\$ 46,696,674</u>

STATISTICAL SECTION

(Not covered by Independent Auditors)

STATISTICAL SECTION

The statistical section of the Trident Technical College (the College) Comprehensive Annual Financial Report presents selected financial, statistical and demographic information. This information provides a broad overview of trends in the financial affairs of the College.

Financial Trends

These schedules contain trend information to help to assist in understanding how the College's financial performance and well-being have changed over time.

Revenue Capacity

The schedules include information about the College's revenue sources including student tuition and fees.

Debt Capacity

These schedules present information that assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.

Operating Information

These schedules contain service and infrastructure data including student enrollment and demographics, and capital asset information.

Demographic and Economic Indicators

These schedules provide an overview of the socioeconomic environment in which the College operates.

Trident Technical College
Comprehensive Annual Financial Report

**Net Assets by Component
Last Ten Fiscal Years**

	For the Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Invested in capital assets, net of related debt	\$ 77,131,977	\$ 73,219,938	\$ 72,315,514	\$ 70,767,742	\$ 67,560,632	\$ 56,610,927	\$ 55,917,929	\$ 48,940,362	\$ 38,362,292	\$ 45,420,572
Restricted for expendable	22,928,529	16,294,524	8,935,240	6,295,351	7,306,532	7,547,292	5,891,171	14,913,364	22,520,668	12,903,161
Unrestricted ^a	23,002,697	24,992,979	23,663,775	13,210,039	13,251,343	11,298,377	8,913,169	8,220,129	8,381,399	7,061,095
Total net assets	<u>\$ 123,063,203</u>	<u>\$ 114,507,441</u>	<u>\$ 104,914,529</u>	<u>\$ 90,273,132</u>	<u>\$ 88,118,507</u>	<u>\$ 75,456,596</u>	<u>\$ 70,722,269</u>	<u>\$ 72,073,855</u>	<u>\$ 69,264,359</u>	<u>\$ 65,384,828</u>

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

^a Beginning in 2007, the unrestricted net assets includes the Trident Technical College Enterprise Campus Authority.

Trident Technical College
Comprehensive Annual Financial Report

Schedule of Changes in Net Assets
Last Ten Fiscal Years

	2012	2011	2010	2009	For the Year Ended June 30,		2006	2005	2004	2003
Operating Revenues										
Student tuition and fees (net of scholarship allowances)	\$ 45,841,113	\$ 40,075,362	\$ 38,529,517	\$ 31,361,578	\$ 29,748,792	\$ 26,591,393	\$ 24,124,485	\$ 21,373,333	\$ 14,340,835	\$ 11,561,764
Federal contracts ^a	439,420	396,509	483,725	16,143,293	12,417,840	11,439,358	11,757,155	12,952,832	24,742,168	24,430,633
State contracts	11,432,719	10,185,830	10,424,598	10,324,215	9,188,917	10,153,028	9,678,424	8,875,240	8,378,807	6,782,326
Nongovernmental contracts	429,854	428,073	468,625	357,320	443,734	393,512	182,885	233,770	241,899	279,507
Sales/services of educational departments	125,856	108,055	126,383	83,121	81,284	73,692	83,050	64,027	64,188	57,433
Auxiliary enterprises (net of scholarship allowances)	8,085,057	7,475,000	7,674,590	6,851,960	5,973,412	5,454,070	5,041,392	4,644,213	3,626,170	3,849,917
Other operating revenues	112,142	119,354	67,219	164,190	149,889	145,888	225,498	442,000	587,418	518,910
Total operating revenues	<u>66,466,161</u>	<u>58,788,183</u>	<u>57,774,657</u>	<u>65,285,677</u>	<u>58,003,868</u>	<u>54,250,941</u>	<u>51,092,889</u>	<u>48,585,415</u>	<u>51,981,485</u>	<u>47,480,490</u>
Operating Expenses										
Instruction	41,284,108	38,094,184	35,178,743	33,722,646	31,650,244	27,861,037	28,584,952	25,177,194	25,565,029	25,760,770
Academic support	9,497,577	9,330,034	7,350,417	7,295,885	6,682,040	5,987,311	5,878,356	6,230,604	6,314,387	5,979,981
Student services	10,516,242	10,202,984	9,599,999	9,386,599	9,521,017	9,985,728	7,869,870	8,163,005	7,898,385	6,815,374
Institutional support	13,285,882	11,698,998	11,134,194	12,312,214	11,456,872	10,903,261	10,344,770	11,645,085	7,823,480	7,168,377
Operation and maintenance of plant	9,463,781	9,404,764	7,605,600	7,767,553	7,391,530	6,667,769	8,909,186	5,789,681	4,577,786	6,802,007
Scholarships and fellowships	29,983,315	25,473,271	22,861,531	14,353,612	11,845,318	11,400,718	11,943,798	10,301,218	16,416,092	16,426,365
Auxiliary enterprises	10,997,623	9,516,879	9,024,246	7,896,696	6,364,711	5,950,748	5,662,483	5,599,510	5,216,485	4,876,954
Depreciation	4,967,538	4,640,001	4,529,923	4,017,652	5,653,129	5,939,771	6,526,148	2,697,113	2,508,509	2,722,478
Total operating expenses	<u>129,996,066</u>	<u>118,361,115</u>	<u>107,284,653</u>	<u>96,752,857</u>	<u>90,564,861</u>	<u>84,696,343</u>	<u>85,719,563</u>	<u>75,603,410</u>	<u>76,320,153</u>	<u>76,552,306</u>
Operating income (loss)	<u>(63,529,905)</u>	<u>(59,572,932)</u>	<u>(49,509,996)</u>	<u>(31,467,180)</u>	<u>(32,560,993)</u>	<u>(30,445,402)</u>	<u>(34,626,674)</u>	<u>(27,017,995)</u>	<u>(24,338,668)</u>	<u>(29,071,816)</u>

-CONTINUED-

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Changes in Net Assets
Last Ten Fiscal Years**

-CONTINUED-

	2012	2011	2010	2009	For the Year Ended June 30,		2006	2005	2004	2003
					2008	2007				
Nonoperating Revenues (Expenses)										
State appropriations	\$ 14,000,038	\$ 13,438,112	\$ 16,246,953	\$ 17,997,839	\$ 22,761,816	\$ 21,335,955	\$ 20,742,657	\$ 20,070,771	\$ 18,588,336	\$ 21,434,350
County appropriations	10,268,017	10,155,622	9,892,300	9,476,196	8,705,553	8,408,442	7,957,665	6,345,065	6,124,237	5,990,904
Federal grants and contracts ^a	44,503,801	44,351,767	35,993,470	3,158,716	2,812,945	2,770,374	2,398,472	3,380,483	3,391,458	3,643,499
State grants and contracts	890,158	449,529	1,377,465	1,083,968	3,404,595	1,374,737	1,607,431	170,108	103,103	84,163
Investment income	110,261	180,959	224,160	342,848	709,432	887,800	790,409	405,516	188,311	233,132
Interest expense on capital debt	(134,140)	(238,758)	(345,630)	(457,618)	(599,688)	(785,204)	(356,694)	(685,835)	(719,040)	(422,397)
Other nonoperating revenues	779,237	272,681	445,286	861,248	602,935	358,041	137,966	148,589	109,732	7,849,276
Gain (loss) on sale of land	-	11,760	71,627	-	-	-	-	-	-	6,451,737
Gain (loss) on disposal of capital assets	(6,027)	-	(4,238)	(1,854)	(41,330)	(300,122)	(2,818)	(10,206)	(8,056)	(8,874)
Total nonoperating revenues (expenses)	70,411,345	68,621,672	63,901,393	32,461,343	38,356,258	34,050,023	33,275,088	29,824,491	27,778,081	45,255,790
Income before other changes in net assets	6,881,440	9,048,740	14,391,397	994,163	5,795,265	3,604,621	(1,351,586)	2,806,496	3,439,413	16,183,974
Capital grants and appropriations	1,411,983	294,172	-	910,462	6,616,646	879,706	-	-	211,618	-
Capital grants and gifts	262,339	250,000	250,000	250,000	250,000	250,000	-	-	228,500	-
Total change in net assets	\$ 8,555,762	\$ 9,592,912	\$ 14,641,397	\$ 2,154,625	\$ 12,661,911	\$ 4,734,327	\$ (1,351,586)	\$ 2,806,496	\$ 3,879,531	\$ 16,183,974

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

^a Effective fiscal year ended 2010, the South Carolina Comptroller General's Office required institutions of higher learning in South Carolina to report Pell grant activity as federal non-operating revenues. This is in accordance with the Comptroller General's interpretation of Question 7.72.10 of GASB's Comprehensive Implementation Guide 2009-2010.

Trident Technical College
Comprehensive Annual Financial Report

Schedule of Revenues by Source
Last Ten Fiscal Years

	For the Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues:										
Student tuition and fees (net of scholarship allowances)	\$ 45,841,113	\$ 40,075,362	\$ 38,529,517	\$ 31,361,578	\$ 29,748,792	\$ 26,591,393	\$ 24,124,485	\$ 21,373,333	\$ 14,340,835	\$ 11,561,764
Federal grants and contracts ^a	439,420	396,509	483,725	16,143,293	12,417,840	11,439,358	11,757,155	12,952,832	24,742,168	24,430,633
State grants and contracts	11,432,719	10,185,830	10,424,598	10,324,215	9,188,917	10,153,028	9,678,424	8,875,240	8,378,807	6,782,326
Nongovernmental grants and contracts	429,854	428,073	468,625	357,320	443,734	393,512	182,885	236,770	241,899	279,507
Sales and services of educational activities	125,856	108,055	126,383	83,121	81,284	73,692	83,050	64,027	64,188	57,433
Auxiliary enterprises (net of scholarship allowances)	8,085,057	7,475,000	7,674,590	6,851,960	5,973,412	5,454,070	5,041,392	4,644,213	3,626,170	3,849,917
Other operating revenues	112,142	119,354	67,219	164,190	149,889	145,888	225,498	442,000	587,418	518,910
Total Operating Revenues	66,466,161	58,788,183	57,774,657	65,285,677	58,003,868	54,250,941	51,092,889	48,588,415	51,981,485	47,480,490
State appropriations	14,000,038	13,438,112	16,246,953	17,997,839	22,761,816	21,335,955	20,742,657	20,070,771	18,588,336	21,434,350
County appropriations	10,268,017	10,155,622	9,892,300	9,476,196	8,705,553	8,408,442	7,957,665	6,345,065	6,124,237	5,990,904
Investment income	110,261	180,959	224,160	342,848	709,432	887,800	790,409	405,516	188,311	233,132
Federal grants and contracts ^a	44,503,801	44,351,767	35,993,470	3,158,716	2,812,945	2,770,374	2,398,472	3,380,483	3,391,458	3,643,499
State grants and contracts	890,158	449,529	1,377,465	1,083,968	3,404,595	1,374,737	1,607,431	170,108	103,103	84,163
Other nonoperating revenues	779,237	272,681	445,286	861,248	602,935	358,041	137,966	148,589	109,732	8,227,777
Gains on disposal of capital assets	-	11,760	71,627	-	-	-	-	-	-	6,451,737
State capital appropriations	-	-	-	910,462	6,616,646	879,706	-	-	211,618	-
County capital appropriations	1,411,983	294,172	-	-	-	-	-	-	-	-
Capital grants and gifts	262,339	250,000	250,000	250,000	250,000	250,000	-	-	228,500	-
Total Nonoperating Revenues	72,225,834	69,404,602	64,501,261	34,081,277	45,863,922	36,265,055	33,634,600	30,520,532	28,945,295	46,065,562
Total Revenues	\$ 138,691,995	\$ 128,192,785	\$ 122,275,918	\$ 99,366,954	\$ 103,867,790	\$ 90,515,996	\$ 84,727,489	\$ 79,108,947	\$ 80,926,780	\$ 93,546,052

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Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Revenues by Source
Last Ten Fiscal Years**

-CONTINUED-

	For the Year Ended June 30,									
	<i>(Percentage of Total)</i>									
Revenues:	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Student tuition and fees (net of scholarship allowances)	33.1%	31.3%	31.5%	31.6%	28.6%	29.4%	28.5%	27.0%	17.7%	12.4%
Federal grants and contracts ^a	0.3%	0.3%	0.4%	16.2%	12.0%	12.6%	13.9%	16.4%	30.6%	26.1%
State grants and contracts	8.2%	8.0%	8.5%	10.4%	8.8%	11.2%	11.4%	11.2%	10.4%	7.3%
Nongovernmental grants and contracts	0.3%	0.3%	0.4%	0.4%	0.4%	0.4%	0.2%	0.3%	0.3%	0.3%
Sales and services of educational activities	0.1%	0.1%	0.1%	0.0%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%
Auxiliary enterprises (net of scholarship allowances)	5.8%	5.8%	6.3%	6.9%	5.8%	6.0%	6.0%	5.9%	4.5%	4.1%
Other operating revenues	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%	0.3%	0.6%	0.8%	0.6%
Total Operating Revenues	47.9%	45.9%	47.3%	65.7%	55.8%	59.8%	60.4%	61.5%	64.4%	50.9%
State appropriations	10.1%	10.5%	13.3%	18.1%	21.9%	23.6%	24.5%	25.4%	23.0%	22.9%
Local appropriations	7.4%	7.9%	8.1%	9.5%	8.4%	9.3%	9.4%	8.0%	7.6%	6.4%
Investment income	0.1%	0.1%	0.2%	0.3%	0.7%	1.0%	0.9%	0.5%	0.2%	0.2%
Federal grants and contracts ^a	32.1%	34.6%	29.4%	3.2%	2.7%	3.1%	2.8%	4.3%	4.2%	3.9%
State grants and contracts	0.6%	0.4%	1.1%	1.1%	3.3%	1.5%	1.9%	0.2%	0.1%	0.1%
Other nonoperating revenues	0.6%	0.2%	0.4%	0.9%	0.6%	0.4%	0.1%	0.1%	0.1%	8.7%
Gains on disposal of capital assets	0.0%	0.0%	0.0%	-	-	-	-	-	-	6.9%
State capital appropriations	-	-	-	0.9%	6.4%	1.0%	-	-	0.2%	-
County capital appropriations	1.0%	0.2%	-	-	-	-	-	-	-	-
Capital grants and gifts	0.2%	0.2%	0.2%	0.3%	0.2%	0.3%	-	-	0.2%	-
Total Nonoperating Revenues	52.1%	54.1%	52.7%	34.3%	44.2%	40.2%	39.6%	38.5%	35.6%	49.1%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Trident Technical College Comprehensive Annual Financial Reports for years presented.

^a Effective fiscal year ended 2010, the South Carolina Comptroller General's Office is requiring institutions of higher learning in South Carolina to report Pell grant activity as federal non-operating revenues. This is in accordance with the Comptroller General's interpretation of Question 7.72.10 of GASB's Comprehensive Implementation Guide 2009-2010.

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenses by Function
 Last Ten Fiscal Years**

	For the Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Operating Expenses										
Instruction	\$ 41,284,108	\$ 38,094,184	\$ 35,178,743	\$ 33,722,646	\$ 31,650,244	\$ 27,861,037	\$ 28,584,952	\$ 25,177,194	\$ 25,565,029	\$ 25,760,770
Academic support	9,497,577	9,330,034	7,350,417	7,295,885	6,682,040	5,987,311	5,878,356	6,230,604	6,314,387	5,979,981
Student services	10,516,242	10,202,984	9,599,999	9,386,599	9,521,017	9,985,728	7,869,870	8,163,005	7,898,385	6,815,374
Operation and maintenance of plant	9,463,781	9,404,764	7,605,600	7,767,553	7,391,530	6,667,769	10,344,770	5,789,681	4,577,786	6,802,007
Institutional support	13,285,882	11,698,998	11,134,194	12,312,214	11,456,872	10,903,261	8,909,186	11,645,085	7,823,480	7,168,377
Scholarships and financial aid	29,983,315	25,473,271	22,861,531	14,353,612	11,845,318	11,400,718	11,943,798	10,301,218	16,416,092	16,426,365
Auxiliary enterprises	10,997,623	9,516,879	9,024,246	7,896,696	6,364,711	5,950,748	5,662,483	5,599,510	5,216,485	4,876,954
Depreciation	4,967,538	4,640,001	4,529,923	4,017,652	5,653,129	5,939,771	6,526,148	2,697,113	2,508,509	2,722,478
Total operating expenses	<u>129,996,066</u>	<u>118,361,115</u>	<u>107,284,653</u>	<u>96,752,857</u>	<u>90,564,861</u>	<u>84,696,343</u>	<u>85,719,563</u>	<u>75,603,410</u>	<u>76,320,153</u>	<u>76,552,306</u>
Nonoperating Expenses										
Interest on capital asset-related debt	134,140	238,758	345,630	457,618	599,688	785,204	356,694	685,835	719,040	422,397
Loss on disposal of capital assets	6,027	-	4,238	1,854	41,330	300,122	2,818	10,206	8,056	8,874
Other nonoperating	-	-	-	-	-	-	-	-	-	378,501
Total expenses	<u>\$130,136,233</u>	<u>\$ 118,599,873</u>	<u>\$ 107,634,521</u>	<u>\$ 97,212,329</u>	<u>\$ 91,205,879</u>	<u>\$ 85,781,669</u>	<u>\$ 86,079,075</u>	<u>\$ 76,299,451</u>	<u>\$ 77,047,249</u>	<u>\$ 77,362,078</u>

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**Schedule of Expenses by Function
Last Ten Fiscal Years**

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	For the Year Ended June 30,									
	<i>(Percentage of Total)</i>									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Operating Expenses										
Instruction	31.7%	32.1%	32.8%	34.7%	34.7%	32.5%	33.2%	33.0%	33.2%	33.4%
Academic support	7.3%	7.9%	6.8%	7.5%	7.3%	7.0%	6.8%	8.2%	8.2%	7.7%
Student services	8.1%	8.6%	8.9%	9.7%	10.4%	11.6%	9.1%	10.7%	10.3%	8.8%
Operation and maintenance of plant	7.3%	7.9%	7.1%	8.0%	8.1%	7.8%	12.0%	7.6%	5.9%	8.8%
Institutional support	10.2%	9.9%	10.3%	12.7%	12.6%	12.7%	10.4%	15.3%	10.2%	9.3%
Scholarships	23.0%	21.5%	21.2%	14.8%	13.0%	13.3%	13.9%	13.5%	21.3%	21.2%
Auxiliary enterprises	8.5%	8.0%	8.4%	8.1%	7.0%	6.9%	6.6%	7.3%	6.8%	6.3%
Depreciation	3.8%	3.9%	4.2%	4.0%	6.2%	6.9%	7.6%	3.5%	3.2%	3.5%
Total operating expenses	<u>99.9%</u>	<u>99.8%</u>	<u>99.7%</u>	<u>99.5%</u>	<u>99.3%</u>	<u>98.7%</u>	<u>99.6%</u>	<u>99.1%</u>	<u>99.1%</u>	<u>99.0%</u>
Nonoperating expenses										
Interest on capital asset-related debt	0.1%	0.2%	0.3%	0.5%	0.7%	1.0%	0.4%	0.9%	0.9%	0.5%
Loss on disposal of capital assets	-	-	0.0%	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%
Other nonoperating	-	-	-	-	-	-	-	-	-	0.5%
Total expenses	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

Trident Technical College
Comprehensive Annual Financial Report

Schedule of Expenses by Use
Last Ten Fiscal Years

	For the Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Operating Expenses										
Salaries	\$ 50,708,866	\$ 46,966,157	\$ 42,707,355	\$43,130,768	\$ 40,761,901	\$ 37,592,148	\$ 36,026,368	\$ 34,279,304	\$ 32,432,465	\$31,277,464
Benefits	13,427,695	12,082,857	11,316,609	10,938,771	10,203,027	9,057,948	8,448,773	7,882,135	7,567,150	7,389,608
Utilities	2,736,567	2,615,376	2,437,241	2,226,011	1,996,922	1,705,702	1,751,664	1,915,333	1,364,477	1,252,074
Scholarships and fee remissions	29,983,315	25,473,271	22,861,531	14,353,612	11,845,318	11,400,718	11,943,798	10,301,218	16,416,092	16,426,365
Contracted services	10,465,519	9,437,287	9,081,058	8,014,208	8,158,177	7,708,139	7,232,916	6,052,149	6,264,493	5,679,215
Supplies and materials	4,514,127	4,279,259	3,919,611	4,056,542	3,737,643	3,613,784	5,273,959	3,821,248	3,272,992	2,922,340
Services-fixed charges	901,102	749,749	673,994	732,544	733,994	756,410	734,006	613,134	607,730	599,222
Travel	430,865	448,147	438,916	522,038	574,014	476,861	464,710	429,084	470,889	412,073
Equipment and permanent improvements	2,275,457	3,217,379	1,326,232	1,745,516	1,177,494	974,878	2,211,586	2,413,294	596,570	3,284,519
Purchases for resale	9,585,015	8,451,632	7,992,183	6,862,906	5,584,627	5,329,163	4,970,480	5,059,660	4,692,969	4,433,712
Indirect costs ^a	-	-	-	152,289	138,615	140,821	135,155	139,738	125,817	153,236
Depreciation	4,967,538	4,640,001	4,529,923	4,017,652	5,653,129	5,939,771	6,526,148	2,697,113	2,508,509	2,722,478
Total Operating Expenses	129,996,066	118,361,115	107,284,653	96,752,857	90,564,861	84,696,343	85,719,563	75,603,410	76,320,153	76,552,306
Interest expense on capital asset-related debt	134,140	238,758	345,630	457,618	599,688	785,204	356,694	685,835	719,040	422,397
Loss on disposal of capital assets	6,027	-	4,238	1,854	41,330	300,122	2,818	10,206	8,056	8,874
Other nonoperating	-	-	-	-	-	-	-	-	-	378,501
Total Expenses	\$ 130,136,233	\$118,599,873	\$ 107,634,521	\$97,212,329	\$ 91,205,879	\$ 85,781,669	\$ 86,079,075	\$ 76,299,451	\$ 77,047,249	\$77,362,078

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**Schedule of Expenses by Use
Last Ten Fiscal Years**

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	For the Year Ended June 30,									
	(Percentage of Total)									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Operating Expenses										
Salaries	39.0%	39.6%	39.8%	44.4%	44.7%	43.8%	41.9%	44.9%	42.1%	40.4%
Benefits	10.3%	10.2%	10.6%	11.3%	11.2%	10.6%	9.8%	10.3%	9.8%	9.6%
Utilities	2.1%	2.2%	2.3%	2.3%	2.2%	2.0%	2.0%	2.5%	1.8%	1.6%
Scholarships and fee remissions	23.0%	21.5%	21.2%	14.8%	13.0%	13.3%	13.8%	13.5%	21.3%	21.2%
Contracted services	8.0%	8.0%	8.4%	8.2%	8.9%	9.0%	8.4%	8.0%	8.1%	7.3%
Supplies and materials	3.5%	3.6%	3.6%	4.2%	4.1%	4.2%	6.1%	5.0%	4.2%	3.8%
Services-fixed	0.7%	0.6%	0.6%	0.8%	0.8%	0.9%	0.9%	0.8%	0.8%	0.8%
Travel	0.3%	0.4%	0.4%	0.5%	0.6%	0.6%	0.5%	0.6%	0.6%	0.6%
Equipment and permanent improvements	1.8%	2.7%	1.2%	1.8%	1.3%	1.1%	2.6%	3.2%	0.8%	4.2%
Purchases for resale	7.4%	7.1%	7.4%	7.1%	6.1%	6.2%	5.8%	6.6%	6.1%	5.8%
Indirect costs ^a		-	-	0.1%	0.2%	0.1%	0.2%	0.2%	0.2%	0.2%
Depreciation	3.8%	3.9%	4.2%	4.0%	6.2%	6.9%	7.6%	3.5%	3.3%	3.5%
Total Operating Expenses	99.9%	99.8%	99.7%	99.5%	99.3%	98.7%	99.6%	99.1%	99.1%	99.0%
Interest on capital asset-related debt	0.1%	0.2%	0.3%	0.5%	0.7%	1.0%	0.4%	0.9%	0.9%	0.5%
Loss on disposal of capital assets	0.0%	-	0.0%	0.0%	0.0%	0.3%	0.0%	-	-	-
Other nonoperating	-	-	-	-	-	-	-	-	-	0.5%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

^a Beginning in fiscal year 2010, indirect costs are included with the total contracted services and shown net of indirect cost recoveries.

Trident Technical College
Comprehensive Annual Financial Report

Current Funds Revenues by Source
Last Ten Fiscal Years

	For the Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Tuition and Fees	\$ 58,656,410	\$ 54,129,410	\$ 47,110,015	\$ 37,313,153	\$ 33,998,288	\$ 31,372,993	\$ 28,772,430	\$ 28,121,423	\$ 25,768,938	\$ 22,423,079
State Appropriations	14,000,038	13,438,112	16,246,953	17,997,839	22,761,816	19,901,497	19,299,138	18,500,701	17,929,974	20,165,715
County Appropriations	10,268,017	10,155,622	9,892,300	9,476,195	8,705,553	8,408,442	7,957,665	6,345,065	6,124,237	5,990,904
Federal Grants and Contracts	102,316,241	90,987,047	77,717,412	47,900,668	37,005,089	33,363,475	33,739,839	29,742,400	28,345,244	28,074,132
State Grants and Contracts	12,322,877	10,635,359	11,802,063	11,408,183	11,264,791	12,790,943	12,729,374	10,660,501	9,140,272	8,135,123
Sales and Services of										
Educational Departments	125,856	108,055	126,383	83,121	81,284	73,692	83,050	64,027	73,338	57,432
Auxiliary Enterprises	11,937,451	10,940,458	10,624,410	8,824,781	7,566,868	7,049,328	6,470,367	6,368,611	6,207,673	5,887,999
Investment Income	110,261	180,959	198,335	280,852	571,774	710,756	648,922	317,776	151,258	175,091
Other	1,321,233	1,396,898	1,455,661	892,947	748,926	648,784	543,725	817,154	933,183	885,824
Total Revenues	\$211,058,384	\$191,971,920	\$175,173,532	\$134,177,739	\$122,704,389	\$114,319,910	\$110,244,510	\$100,937,658	\$ 94,674,117	\$ 91,795,299

	For the Year Ended June 30,									
	(Percentage of Total)									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Tuition and Fees	27.8%	28.2%	26.9%	27.8%	27.7%	27.4%	26.1%	27.8%	27.2%	24.4%
State Appropriations	6.6%	7.0%	9.3%	13.4%	18.5%	17.4%	17.5%	18.3%	18.9%	22.0%
County Appropriations	4.9%	5.3%	5.6%	7.1%	7.1%	7.3%	7.2%	6.3%	6.5%	6.5%
Federal Grants and Contracts	48.5%	47.4%	44.4%	35.7%	30.1%	29.2%	30.6%	29.5%	29.9%	30.6%
State Grants and Contracts	5.8%	5.5%	6.7%	8.5%	9.2%	11.2%	11.5%	10.6%	9.6%	8.9%
Sales and Services of										
Educational Departments	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Auxiliary Enterprises	5.6%	5.7%	6.1%	6.6%	6.2%	6.2%	5.9%	6.3%	6.6%	6.4%
Investment Income	0.1%	0.1%	0.1%	0.2%	0.5%	0.6%	0.6%	0.3%	0.2%	0.2%
Other	0.6%	0.7%	0.8%	0.7%	0.6%	0.6%	0.5%	0.8%	1.0%	0.9%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Current Funds include the Unrestricted and Restricted Funds.

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

Trident Technical College
Comprehensive Annual Financial Report

**Current Funds Expenditures by Function
Last Ten Fiscal Years**

	For the Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction	\$ 41,448,054	\$ 38,094,184	\$ 35,180,423	\$ 33,722,647	\$ 31,650,245	\$ 27,861,035	\$ 28,584,952	\$ 25,177,194	\$ 25,213,657	\$ 25,759,711
Academic support	9,499,079	9,332,744	7,350,416	7,295,884	6,682,040	5,987,312	5,878,356	6,230,604	6,636,990	5,979,981
Student services	10,597,908	10,202,984	9,599,999	9,386,598	9,521,017	9,985,727	7,869,871	8,163,005	8,070,577	6,815,374
Operation and maintenance of plant	10,573,144	10,218,460	9,144,686	8,066,217	7,630,702	6,930,676	6,873,578	6,471,991	5,941,358	6,802,007
Institutional support	13,507,327	12,275,786	11,608,727	12,312,214	11,455,359	10,903,263	10,344,770	11,645,085	7,887,722	7,013,741
Scholarships and financial aid	109,576,883	93,818,125	82,120,291	55,538,789	44,045,838	41,212,099	41,537,462	35,811,539	33,787,025	31,866,668
Auxiliary enterprises	10,997,623	9,516,879	9,024,246	7,896,694	6,364,711	5,950,748	5,662,484	5,599,510	5,216,485	4,876,954
Transfers	7,000,000	-	-	-	-	-	-	-	-	-
Total expenditures and mandatory transfers	\$ 213,200,018	\$ 183,459,162	\$ 164,028,788	\$ 134,219,043	\$ 117,349,912	\$ 108,830,860	\$ 106,751,473	\$ 99,098,928	\$ 92,753,814	\$ 89,114,436

	For the Year Ended June 30,									
	(Percentage of Total)									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction	19.4%	20.8%	21.4%	25.1%	27.0%	25.6%	26.8%	25.4%	27.2%	28.9%
Academic support	4.5%	5.1%	4.5%	5.4%	5.7%	5.5%	5.5%	6.3%	7.2%	6.7%
Student services	5.0%	5.5%	5.8%	7.0%	8.1%	9.2%	7.4%	8.2%	8.7%	7.6%
Operation and maintenance of plant	5.0%	5.6%	5.6%	6.0%	6.5%	6.3%	6.4%	6.5%	6.4%	7.6%
Institutional support	6.3%	6.7%	7.1%	9.2%	9.8%	10.0%	9.7%	11.8%	8.5%	7.9%
Scholarships and financial aid	51.4%	51.1%	50.1%	41.4%	37.5%	37.9%	38.9%	36.1%	36.4%	35.8%
Auxiliary enterprises	5.1%	5.2%	5.5%	5.9%	5.4%	5.5%	5.3%	5.7%	5.6%	5.5%
Transfers	3.3%	0.0%	-	-	-	-	-	-	-	-
Total expenditures and mandatory transfers	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

Note: Current Funds include the Unrestricted and Restricted Funds.

Trident Technical College
Comprehensive Annual Financial Report

**Student Tuition and Fees
 Last Ten Years**

Academic Year	Per Credit Hour ^a				Annual Cost per Full-time Student	Increase	
	Tuition	Capital Fee	College Fee	Technology Fee		Dollars	Percent
2011-12	\$ 133.08	\$ 12.75	\$ -	\$ 4.17	\$ 3,600.00	\$ 70.00	2.0%
2010-11	\$ 131.00	\$ 13.00	\$ -	\$ 5.00	\$ 3,530.00	\$ 80.00	2.3%
2009-10	\$ 120.00	\$ 21.00	\$ -	\$ 5.00	\$ 3,450.00	\$ 120.00	3.6%
2008-09	\$ 115.00	\$ 20.00	\$ -	\$ 5.00	\$ 3,330.00	\$ 110.00	3.4%
2007-08	\$ 111.00	\$ 19.00	\$ -	\$ 5.00	\$ 3,220.00	\$ 106.00	3.4%
2006-07	\$ 108.00	\$ 19.00	\$ -	\$ 5.00	\$ 3,114.00	\$ 164.00	5.6%
2005-06	\$ 102.00	\$ 18.00	\$ -	\$ 5.00	\$ 2,950.00	\$ 262.00	9.7%
2004-05	\$ 94.00	\$ 15.00	\$ -	\$ 5.00	\$ 2,688.00	\$ 242.00	9.9%
2003-04	\$ 85.00	\$ 14.00	\$ -	\$ 5.00	\$ 2,446.00	\$ 354.00	16.9%
2002-03	\$ 71.00	\$ 12.00	\$ -	\$ 5.00	\$ 2,092.00	\$ 392.00	23.1%

Academic Year	Trident Technical College		National Two Year Public Institution Average ^b		South Carolina Technical College Average ^c	
	Annual Cost	Percent Change	Annual Cost	Percent Change	Annual Cost	Percent Change
2011-12	\$ 3,600.00	2.0%	d	d	\$ 3,535.00	2.9%
2010-11	\$ 3,530.00	2.3%	\$ 2,439.00	6.7%	\$ 3,436.00	4.2%
2009-10	\$ 3,450.00	3.6%	\$ 2,285.00	6.9%	\$ 3,297.00	4.3%
2008-09	\$ 3,330.00	3.4%	\$ 2,137.00	3.7%	\$ 3,162.00	3.8%
2007-08	\$ 3,220.00	3.4%	\$ 2,061.00	2.1%	\$ 3,045.00	3.0%
2006-07	\$ 3,114.00	5.6%	\$ 2,018.00	4.3%	\$ 2,956.00	9.3%
2005-06	\$ 2,950.00	9.7%	\$ 1,935.00	4.7%	\$ 2,705.00	0.4%
2004-05	\$ 2,688.00	9.9%	\$ 1,849.00	8.6%	\$ 2,693.00	7.3%
2003-04	\$ 2,446.00	16.9%	\$ 1,702.00	14.8%	\$ 2,510.00	17.0%
2002-03	\$ 2,092.00	23.1%	\$ 1,483.00	7.5%	\$ 2,145.00	27.1%

Sources:

^a Trident Technical College published tuition and fees. In-county tuition and fees only.

^b U.S. Department of Education "Digest of Education Statistics, Table 349." Includes in-state tuition and required fees.

^c South Carolina Commission on Higher Education, Summary of Required Tuition & Fees for Full-time Undergraduates-Public Institutions

^d Data not available.

Trident Technical College
Comprehensive Annual Financial Report

**Ratios of Outstanding Debt
Last Ten Fiscal Years**

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Bonded Debt										
Notes Payable	\$ 2,600,584	\$ 5,117,634	\$ 7,990,849	\$ 10,807,600	\$ 13,530,483	\$ 16,157,322	\$ 18,992,038	\$ 21,911,638	\$ 24,679,274	\$ 9,217,894
Total general bonded debt	<u>\$ 2,600,584</u>	<u>\$ 5,117,634</u>	<u>\$ 7,990,849</u>	<u>\$ 10,807,600</u>	<u>\$ 13,530,483</u>	<u>\$ 16,157,322</u>	<u>\$ 18,992,038</u>	<u>\$ 21,911,638</u>	<u>\$ 24,679,274</u>	<u>\$ 9,217,894</u>
Per student equivalent	a	\$ 474	\$ 782	\$ 1,130	\$ 1,693	\$ 2,137	\$ 2,602	\$ 3,081	\$ 3,323	\$ 1,240
Other Debt										
Capital lease obligations	\$ -	\$ -	\$ -	\$ 829,625	\$ 2,311,243	\$ 3,742,028	\$ 5,114,641	\$ 5,717,868	\$ 80,874	\$ 315,645
Total outstanding debt	<u>\$ 2,600,584</u>	<u>\$ 5,117,634</u>	<u>\$ 7,990,849</u>	<u>\$ 11,637,225</u>	<u>\$ 15,841,726</u>	<u>\$ 19,899,350</u>	<u>\$ 24,106,679</u>	<u>\$ 27,629,506</u>	<u>\$ 24,760,148</u>	<u>\$ 9,533,539</u>
Per student equivalent	a	\$ 474	\$ 782	\$ 1,217	\$ 1,982	\$ 2,633	\$ 3,302	\$ 3,885	\$ 3,334	\$ 1,282
Full-time Equivalency (FTE) Fall Term	a	10,797	10,220	9,562	7,992	7,559	7,300	7,112	7,427	7,436

Source: Trident Technical College Comprehensive Annual Financial Report for years presented.

Note: Debt per student calculated using full-time-equivalent enrollment; see Schedule of Student Enrollment.

^a Data not available

**Schedule of Bond Coverage
Last Ten Fiscal Years**

Notes Payable and Capital Leases

For the Year Ended June 30,	Capital Fees Revenue	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
2012	\$ 4,633,016	\$ 2,516,888	\$ 141,465	\$ 2,658,353	1.74
2011	\$ 4,589,287	\$ 2,923,900	\$ 247,660	\$ 3,171,560	1.45
2010	\$ 6,489,905	\$ 3,651,162	\$ 364,676	\$ 4,015,838	1.62
2009	\$ 5,151,931	\$ 4,204,501	\$ 515,973	\$ 4,720,474	1.09
2008	\$ 4,583,264	\$ 4,057,621	\$ 662,857	\$ 4,720,478	0.97 ^a
2007	\$ 4,280,780	\$ 4,220,268	\$ 785,204	\$ 5,005,472	0.86 ^a
2006	\$ 3,932,532	\$ 4,229,571	\$ 963,829	\$ 5,193,400	0.76 ^a
2005	\$ 3,583,665	\$ 3,499,299	\$ 949,249	\$ 4,448,548	0.81 ^a
2004	\$ 3,323,130	\$ 2,686,438	\$ 703,425	\$ 3,389,863	0.98 ^a
2003	\$ 2,560,473	\$ 1,430,396	\$ 433,777	\$ 1,864,173	1.37

^a The Trident Technical College Area Commission budgeted unrestricted current funds to supplement capital fees for debt service.

Trident Technical College
Comprehensive Annual Financial Report

**Faculty and Staff Statistics
2002-2011**

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Number of Employees^a										
Faculty ^b										
Part-time	505	524	397	374	330	326	342	359	375	336
Full-time	307	304	299	296	288	279	272	261	255	240
Staff ^c										
Part-time	134	162	116	134	116	111	124	110	109	177
Full-time	411	370	362	359	346	333	339	328	313	320
Total Employees										
Part-time	639	686	513	508	446	437	466	469	484	513
Full-time	718	674	661	655	634	612	611	589	568	560
Full-Time Faculty Average Nine-Month Salaries^d										
Trident Technical College	e	\$ 47,752	\$ 47,237	\$ 47,153	\$ 47,018	\$ 44,742	\$ 43,767	\$ 42,057	\$ 40,588	\$ 41,080
S.C. Technical College System	e	\$ 46,250	\$ 46,250	\$ 46,465	\$ 48,989	\$ 46,114	\$ 44,387	\$ 43,062	\$ 41,667	\$ 40,135
Southern Regional Education Board	e	\$ 51,831	\$ 57,648	\$ 51,452	\$ 53,010	\$ 50,191	\$ 48,440	\$ 46,732	\$ 45,248	\$ 43,848

Note: Current fiscal year data is not readily available.

Sources:

^a IPEDS - Human Resources Reports; reported as of November 1.

^b Excludes librarians

^c Includes librarians

^d Trident Technical College FactBook for years presented

^e Data not available

Trident Technical College
Comprehensive Annual Financial Report

**Fall Term Student Enrollment
 Last Ten Years**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Headcount										
Status										
Full time	7,553	7,295	6,856	5,544	5,230	5,161	5,002	5,270	5,167	4,858
Part time	<u>9,228</u>	<u>8,495</u>	<u>7,978</u>	<u>7,219</u>	<u>6,846</u>	<u>6,647</u>	<u>6,405</u>	<u>6,525</u>	<u>6,624</u>	<u>6,393</u>
Total student enrollment	16,781	15,790	14,834	12,763	12,076	11,808	11,407	11,795	11,791	11,251

Full-Time Equivalent

Full time equivalent	10,797	10,220	9,562	7,992	7,559	7,300	7,112	7,427	7,436	7,045
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Source: Trident Technical College Fact Books for years presented.

**Student Demographics
Fall Term Student Enrollment
Last Ten Years**

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Historic Gender Demographics										
Male	6,394	6,088	5,524	4,820	4,457	4,317	4,164	4,343	4,387	4,160
Female	10,387	9,702	9,310	7,943	7,619	7,491	7,243	7,452	7,404	7,091
Total student enrollment	16,781	15,790	14,834	12,763	12,076	11,808	11,407	11,795	11,791	11,251
Historic Ethnic Demographics										
African-American	5,292	4,697	4,295	3,351	3,223	3,235	3,177	3,283	3,426	3,362
Caucasian	9,814	9,469	9,265	8,361	7,914	7,697	7,400	7,698	7,498	7,101
Other	1,675	1,624	1,274	1,051	939	876	830	814	867	788
Total student enrollment	16,781	15,790	14,834	12,763	12,076	11,808	11,407	11,795	11,791	11,251
Historic County of Residence										
Berkeley	4,332	4,027	3,824	3,283	3,101	2,989	2,955	3,009	2,926	2,554
Charleston	7,549	7,214	6,859	6,075	5,910	5,909	5,562	5,821	5,964	5,930
Dorchester	3,642	3,388	3,110	2,625	2,429	2,355	2,355	2,386	2,402	2,357
Other South Carolina	896	819	712	684	495	428	399	405	356	318
Out-of-State	362	342	329	96	141	127	136	174	143	92
Total student enrollment	16,781	15,790	14,834	12,763	12,076	11,808	11,407	11,795	11,791	11,251

Source: Trident Technical College Fact Books for years presented.

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Capital Asset Information by Function
 Fiscal Years 2003-2011**

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Assignable Area (Square Footage) by Function Use									
Instruction	427,733	394,507	402,071	401,650	396,259	379,289	350,885	305,080	302,154
Public Service	202	202	202	202	202	202	202	202	502
Academic Support	51,483	54,188	55,254	54,968	56,471	57,152	57,152	57,152	57,017
Student Services	22,698	22,698	22,698	22,351	22,321	20,092	20,092	20,092	20,092
Institutional Support	36,844	37,060	31,735	31,735	31,735	32,243	32,243	32,243	32,243
Plant Operations and Maintenance	5,917	6,370	6,229	6,229	33,065	1,929	1,929	1,929	1,929
Auxiliary Enterprises	19,363	19,363	19,363	19,363	19,363	12,175	12,175	12,175	12,175

Note: Current fiscal year data is not readily available.

Source: South Carolina Commission on Higher Education, Assignable Area (Summary) by Function Use Codes

**Schedule of Demographic and Economic Statistics
Last Ten Calendar Years**

	Population in College's Service Area ^a			Personal Income ^c			Per Capita Personal Income ^c			Unemployment Rate ^d		
	Berkeley	Charleston	Dorchester	Berkeley	Charleston	Dorchester	Berkeley	Charleston	Dorchester	Berkeley	Charleston	Dorchester
2011	183,525	357,704	140,892	b	b	b	b	b	b	9.1%	8.3%	8.1%
2010	178,765	351,336	137,612	\$ 5,697,263	\$ 14,079,924	\$ 4,340,997	\$ 31,870	\$ 40,075	\$ 31,545	10.0%	9.1%	9.3%
2009	173,498	355,276	130,417	5,304,081	14,046,187	3,947,048	30,571	39,536	30,265	10.7%	9.1%	10.2%
2008	169,327	348,046	127,133	5,163,763	13,844,611	3,932,706	30,449	39,581	30,765	6.2%	5.3%	5.7%
2007	163,622	342,973	123,505	4,718,207	13,295,048	3,588,703	28,848	38,702	29,092	4.9%	4.5%	4.5%
2006	158,614	340,806	117,752	4,293,508	12,380,254	3,227,309	27,069	36,326	27,408	5.6%	5.1%	5.2%
2005	152,858	337,199	111,722	4,035,579	11,685,802	2,949,383	27,040	34,158	26,207	5.4%	5.5%	5.2%
2004	151,543	332,849	106,251	3,732,730	10,569,980	2,685,647	25,286	32,088	25,382	5.5%	5.4%	4.9%
2003	148,507	325,122	103,422	3,504,583	9,763,420	2,496,750	24,019	30,608	24,015	5.4%	5.3%	4.9%
2002	146,555	319,870	100,577	3,313,301	9,449,358	2,378,203	22,842	29,827	23,516	4.5%	4.7%	4.2%

Sources:

a U. S. Census Bureau, Population Division

b Data has not yet been published

c U.S. Department of Commerce, Bureau of Economic Analysis

d Bureau of Labor Statistics County Average Employment Data Tables

Trident Technical College
Comprehensive Annual Financial Report

**Ten Largest Employers
Last Completed Calendar Year and Nine Years Ago^a**

Current Year		
County		
Berkeley	Charleston	Dorchester
Alumax of South Carolina Inc	Carealliance Health Services	Dorchester County
Berkeley County	Charleston County	Dorchester School District #2
Berkeley County School District	Charleston County School District	Dorchester School District #4
Blackbaud Inc	College of Charleston	Palmetto Primary Care Physicians
Department of Defense	Department of Defense	Publix Super Markets Inc
Nucor Corporation	Medical University of SC-Hospital Authority	Robert Bosch Corporation
Santee Cooper-South Carolina Public Service Authority	Medical University of South Carolina	SC Department of Disabilities & Special Needs
Science Applications International Corporation	The Boeing Company	SC Department of Corrections
T-Mobile USA Inc	Trident Regional Medical Center LLC	Town of Summerville
Wal-Mart Associates Inc	WJBD VA Medical Center	Wal-Mart Associates Inc

Source: South Carolina Department of Employment and Workforce-4th quarter 2011

Note:

a Reliable top employer data is not available for the nine years previous to this report.

Due to confidentiality issues, the number of employees for each company is not available. The employers are listed alphabetically and not in order of size.

FEDERAL COMPLIANCE SECTION

DELOACH & WILLIAMSON, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Members of the Area Commission for Trident Technical College
Trident Technical College
North Charleston, South Carolina

Compliance

We have audited Trident Technical College's (the "College") compliance with the types of compliance requirements described in the United States Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2012. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the College's management. Our responsibility is to express an opinion on the College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and *OMB Circular A-133* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the College's compliance with those requirements.

In our opinion, the College's complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the College's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with *OMB Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the members of the Area Commission, management and the federal awarding agencies and pass-through entities and is not intended and should not be used by anyone other than those specified parties.

Rebecca E. Williamson, C.C.P.

September 13, 2012

DELOACH & WILLIAMSON, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Members of the Area Commission for Trident Technical College
Trident Technical College
North Charleston, South Carolina

We have audited the basic financial statements of Trident Technical College (the "College") as of and for the year ended June 30, 2012, and have issued our report thereon dated September 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the College is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether its financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Area Commission, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

DeLoach & Williamson, L.L.P.

September 13, 2012

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012**

Page 1 of 3

Federal Grantor/Program Title/Grant Title	CFDA Number	Grant Year	Grant/ Contract Number	Expenditures
<u>U. S. DEPARTMENT OF EDUCATION (NON-ARRA)</u>				
DIRECT PROGRAMS				
STUDENT FINANCIAL ASSISTANCE CLUSTER				
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007	2010-11	P007A103811	\$ 21,102
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007	2011-12	P007A113811	325,316
Program Total				<u>346,418</u>
Federal Work-Study Program (FWS)	84.033	2010-11	P033A103811	51,978
Federal Work-Study Program (FWS)	84.033	2011-12	P033A113811	387,442
Program Total				<u>439,420</u>
Federal Pell Grant Program (Pell)	84.063	2007-08	P063P070483	(300)
Federal Pell Grant Program (Pell)	84.063	2009-10	P063P090483	(6,487)
Federal Pell Grant Program (Pell)	84.063	2010-11	P063P100483	85,168
Federal Pell Grant Program (Pell)	84.063	2011-12	P063P110483	39,389,610
Program Total				<u>39,467,991</u>
Federal Direct Student Loans	84.268	2010-11	P268K110483	254,308
Federal Direct Student Loans	84.268	2011-12	P268K120483	56,767,933
Program Total				<u>57,022,241</u>
Academic Competitiveness Grant Program	84.375	2011-12	P375A090483	(750)
Program Total				<u>(750)</u>
Total Student Financial Assistance Cluster				<u>97,275,320</u>
TRIO CLUSTER				
TRIO--Student Support Services	84.042	2010-11	P042A100195	53,102
TRIO--Student Support Services	84.042	2011-12	P042A100195	249,441
Program Total				<u>302,543</u>
TRIO--Talent Search	84.044	2010-11	P044A070022	58,252
TRIO--Talent Search	84.044	2011-12	P044A110038	321,139
Program Total				<u>379,391</u>
TRIO--Upward Bound Math & Science	84.047	2010-11	P047M070034	92,207
TRIO--Upward Bound Math & Science	84.047	2011-12	P047M070034	131,892
Program Total				<u>224,099</u>
TRIO--Educational Opportunity Centers	84.066	2010-11	P066A070050	95,019
TRIO--Educational Opportunity Centers	84.066	2011-12	P066A110005	492,804
Program Total				<u>587,823</u>

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012**

Page 2 of 3

Federal Grantor/Program Title/Grant Title	CFDA Number	Grant Year	Grant/ Contract Number	Expenditures
TRIO--Veteran's Upward Bound	84.047	2010-11	P047V070018	\$ 62,895
TRIO--Veteran's Upward Bound	84.047	2011-12	P047V070018	178,638
Program Total				<u>241,533</u>
Total TRIO Cluster				<u>1,735,389</u>
Higher Education Institutional Aid:				
Title III Strengthening Institutions	84.031	2010-11	P031A060058	247,988
Program Total				<u>247,988</u>
Fund for Improvement of Postsecondary Education:				
Project College Bound	84.116	2010-11	P116B100066	78,015
Fund for Improvement of Postsecondary Education:				
Project College Bound	84.116	2011-12	P116B100066	181,996
				<u>260,011</u>
Fund for Improvement of Postsecondary Education:				
Nursing and Allied Health Advancement Initiative	84.116	2011-12	P116Z100072	208,227
				<u>208,227</u>
TOTAL DIRECT PROGRAMS				<u>99,726,935</u>
Passed through South Carolina Department of Education				
Career & Technical Education - Basic Grants to States	84.048	2011-12	12VA402	646,165
Passed through Greenville Technical College				
Teacher Education Assistance for College & Higher Education Grant (TEACH)	84.379	2012-11	None	5,277
Total Vocational Education Grants				<u>651,442</u>
TOTAL U. S. DEPARTMENT OF EDUCATION (NON-ARRA)				<u>100,378,377</u>
<u>U.S. DEPARTMENT OF EDUCATION (ARRA)</u>				
Passed through South Carolina State Board for Technical and Comprehensive Education				
SCDSS Early Childhood Development (ARRA)	93.713	2011-12	None	13,180
Passed through South Carolina Commission on Higher Education				
Statewide Longitudinal Data Systems (ARRA)	84.372	2011-12	None	12,104
TOTAL U. S. DEPARTMENT OF EDUCATION (ARRA)				<u>25,284</u>
TOTAL U.S. DEPARTMENT OF EDUCATION				<u>100,403,661</u>

Trident Technical College
Comprehensive Annual Financial Report

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012**

Page 3 of 3

Federal Grantor/Program Title/Grant Title	CFDA Number	Grant Year	Grant/ Contract Number	Expenditures
<u>U. S. DEPARTMENT OF ENERGY (ARRA)</u>				
Passed through South Carolina State Board for Technical and Comprehensive Education Weatherization Assistance for Low-Income Persons	81.042	2011-12	None	\$ 36,000
				<u>36,000</u>
TOTAL U. S. DEPARTMENT OF ENERGY (ARRA)				<u>36,000</u>
<u>U. S. DEPARTMENT OF LABOR (ARRA)</u>				
DIRECT PROGRAMS				
Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	17.275	2011-12	GJ-20052-10-60-A-45	831,333
				<u>831,333</u>
TOTAL DIRECT PROGRAMS				<u>831,333</u>
Passed through MDC. Inc. Pathways Out of Poverty	17.275	2011-12	None	296,991
				<u>296,991</u>
TOTAL PASSED THROUGH				<u>296,991</u>
TOTAL U. S. DEPARTMENT OF LABOR (ARRA)				<u>1,128,324</u>
<u>U. S. DEPARTMENT OF COMMERCE (ARRA)</u>				
Passed through South Carolina State Board for Technical and Comprehensive Education Broadband Technology Opportunities Program	11.557	2011-12	None	300,463
TOTAL U. S. DEPARTMENT OF COMMERCE (ARRA)				<u>300,463</u>
Institute of Museum & Library Services 2010 National Leadership Grant	45.312	2011-12	LG-50-10-0209-11	25,957
				<u>25,957</u>
Passed through Clemson University National Science Foundation: Center for Aviation & Automotive Technology Education using Virtual E-School	47.076	2011-12	1571-206-2008657	2,172
				<u>2,172</u>
National Science Foundation Education & Human Resources: Mechanical Engineering Technology Advancement (META)	47.076	2011-12	1203562	1,129
				<u>1,129</u>
TOTAL FEDERAL AWARDS				<u>\$ 101,897,706</u>

In addition, the college disbursed \$350,799 during the year from approved lenders under the Federal Family Education Loan Program (FFEL)

TRIDENT TECHNICAL COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2012

Summary of Auditors' Results:

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Trident Technical College.
2. No material weaknesses or significant deficiencies relating to the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Trident Technical College were disclosed during the audit.
4. No material weaknesses or significant deficiencies relating to the audit of major federal awards are reported in the Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Trident Technical College expresses an unqualified opinion.
6. No audit findings were reported relative to the major federal award programs for Trident Technical College as depicted below in this schedule.
7. Major federal programs:
 - Student Financial Aid Cluster
 - Federal Supplemental Education Opportunity Grant CFDA #84.007
 - Federal Work-Study Programs CFDA #84.033
 - Federal Pell Grant Program CFDA #84.063
 - Academic Competitiveness Grant CFDA #84.375
 - Federal Student Direct Loans CFDA #84.268
 - TRIO Cluster
 - Student Support Services CFDA #84.042
 - Talent Search CFDA #84.044
 - Upward Bound CFDA #84.047
 - Educational Opportunity Centers CFDA #84.066

TRIDENT TECHNICAL COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)

- | | | |
|----|--|--------------|
| 7. | Major federal programs: (Continued) | |
| | Fund for the Improvement of Postsecondary Education | CFDA #84.116 |
| | Career and Technical Education - Basic Grants to States | CFDA #84.048 |
| | Program of Competitive Grants for Workers | |
| | Training and Placement in High Growth | |
| | and Emerging Industry Sectors | CFDA #17.275 |
| | Broadband Technology Opportunities Program | CFDA #11.557 |
| 8. | The threshold for distinguishing between Type A and Type B Programs was \$300,000. | |
| 9. | Trident Technical College qualified as a low risk auditee. | |

Financial Statement Findings:

None

Federal Awards Findings and Questioned Costs:

No findings or questioned costs.

Status of Prior Year Findings:

No findings or questioned costs were reported in the prior year.

This Comprehensive Annual Financial Report is also available on the
Trident Technical College's website located at:
<http://www.tridenttech.edu/4581.htm>

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